

Tualatin Valley Water District



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BOARD MEETING AGENDA*

June 16, 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 June 16, 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

REGULAR SESSION – 6:00 PM – MICROSOFT TEAMS MEETING

CALL TO ORDER

REPORTS BY THE CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF

COMMISSIONER COMMUNICATIONS

- A. Reports of meetings attended
- B. Topics to be raised by the Commissioners

1. PUBLIC HEARINGS

- A. Consider adopting Resolution 06-21, a resolution adopting the budget and making appropriations for the Tualatin Valley Water District for the 2021-23 biennium. *Staff Report – Paul Matthews*
- B. Acting as the Local Contract Review Board, consider adopting Resolution 07-21, a resolution declaring an exemption from competitive bidding for the Taylors Ferry Reservoir Replacements and Pump Station project and authorize proceeding with a Construction Manager/General Contractor (CM/GC) contract. *Staff Report – Andrew Barrett*

PUBLIC COMMENT

This time is set aside for persons wishing to address the Board on items on the Consent Agenda and 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.

2. CONSENT AGENDA

These items are considered to be routine and may be approved in one motion without separate discussion. Any Board members 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 May 19, 2021 regular meeting minutes.
- B. Approve the May 25, 2021 Budget Committee meeting minutes.
- C. Approve the June 1, 2021 work session minutes

- D. Authorize the Board President to sign the certification of election results for the May 18, 2021 Regular District Election.
- E. Approve the appointments of Board officers and internal and external committee assignments for the 2021-22 fiscal year as found in the proposed Board Appointments and Assignments document.

3. BUSINESS AGENDA

- A. None.

ADJOURNMENT

Tualatin Valley Water District



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Tualatin Valley Water District



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To: Board of Commissioners

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

Date: June 16, 2021

Subject: Resolution Adopting 2021-23 Biennium Budget and Making Appropriations

Requested Board Action:

Consider adopting a resolution adopting the budget and making appropriations for the Tualatin Valley Water District for the 2021-23 biennium.

Key Concepts:

- The District is subject to the requirements of Oregon Local Budget Law (ORS 294) for preparing its biennial budget, including working with a Budget Committee and providing opportunities for public input.
- Staff conducted three workshops with the Budget Committee. These workshops provided the Budget Committee with background information on the District's operating and capital improvement plans that formed the basis of the 2021-23 biennial budget.
- The Budget Committee met as a formal body on May 25, 2021, to consider the District's Proposed 2021-23 Biennial Budget and conduct a public hearing. The Budget Committee unanimously approved the budget as proposed.
- All Budget Committee meetings were open to the public and duly noticed in both *The Oregonian* newspaper and the District's website.
- Major themes of the 2021-23 biennial budget include human investment, intergovernmental relations, business intelligence, efficiency through modernization and completing the District's current strategic initiatives.
- There are no new funds in the 2021-23 biennial budget.

Background:

Oregon law requires the District to operate within the appropriations authorized in an adopted budget. Consistent with those requirements, the District conducts a biennial budget process that provides both the legal basis for its appropriations and expenditures and opportunities for public involvement. The District adopted its current biennium budget on June 19, 2019 (Resolution 18-19). All appropriations under that budget lapse on June 30, 2021.

Oregon Local Budget Law provides a series of required steps to adopt a budget. These steps include the preparation of a Proposed Budget by the District's Budget Officer, public notification of the availability of the Proposed Budget, the approval of the Proposed Budget (which then becomes the "Approved Budget") by the District's Budget Committee and adoption of the budget by the Board of Commissioners.

The Budget Committee consists of the five members of the Board of Commissioners and an equal number of citizen members who are electors of the District.

Following a lengthy budget development process, the District released its Proposed Budget to the public and Budget Committee on May 20, 2021. On May 25, 2021, the District's Budget Committee conducted a public hearing and unanimously approved the Proposed Budget for the 2021-23 biennium.

In addition, prior to its formal meeting on May 25, the Budget Committee held three budget workshops in March and April that were open to the public. The workshops included presentations by District staff on the budget, as well as opportunities for the Budget Committee and members of the public to ask questions.

The 2021-23 biennial budget included funding for several strategic initiatives. These strategic initiatives were developed based on a bottoms-up and top-down assessment of the District's strengths, weaknesses, opportunities and threats (SWOT analysis). The District's SWOT analysis identified the following major themes:

1. Human investment. Prepare the District's employees to be successful in meeting the future requirements of the District.
2. Intergovernmental relations. Improve relationships with local governments and neighboring utilities to solidify TVWD as a necessary and desired regional resource.
3. Business intelligence. Improve planning and the District's ability to respond by developing actionable information from disparate sources of data.
4. Efficiency through modernization. Improve the service levels provided to the District's customers and find long-term strategies to lower the cost of doing so.
5. Current initiatives. Successfully execute and complete the initiatives currently underway.

From these major themes, the following initiatives were identified:

- *Initiative 1: Mission, Vision and Values.* The District will review and, if appropriate, update its mission, vision and values. This review/update will also include a review of the District's strategic planning process. The goal of this initiative is to make sure the District's mission, vision and values remain relevant as the District continues its transformation to a regional water provider with the development of the Willamette Water Supply System (WWSS) and Willamette Intake Facilities (WIF).

Part of the initiative will examine the District's culture related to leadership and communications to ensure the District is fully prepared for its evolving role. The District began this effort in the current biennium by implementing District-wide leadership and communications training. This will continue in the coming biennium and is part of this initiative.

Also, the District's efforts to be more diverse and inclusive is included in this initiative. The goal is to ensure the District's values related to diversity, equity and inclusion are more fully integrated into its culture.

- *Initiative 2: Classification and Compensation Study.* The District continues to operate in a competitive labor market that has differing expectations for compensation. The District's current classification and compensation structure dates from the 1990s and will likely benefit from modernization. Over the years, some of the District's positions may have deviated from the local labor market. Additionally, the District's current wide-band compensation structure may not be appealing to the modern workforce that is becoming a greater portion of the District's employee base as retirements have occurred.
- *Initiative 3: Governmental Affairs.* Enhancement to the District's governmental affairs capabilities is needed as the District increases its role as a regional water provider. This initiative has three major elements. First is the development of an overall strategy to enhance the District's ability to work closely with its partners and other local water providers. Second is the reorganization of the communications team to align with the newly created government affairs program. And lastly is the implementation of new survey tools that will allow the District to better understand the needs of its customers, employees and regional partners.
- *Initiative 4: Business Decisions Data.* Like many organizations, the District's data resources are growing as technology allows. This accumulation of data, often in disparate data sources, can be a source of incredible information. This initiative strives to enhance the District's ability to use disparate sources of data to inform business decisions. The overall goal is to increase the quality and availability of data to support data-informed decision making. The initiative includes the further deployment of the District's data warehousing capabilities and implementation of a District-wide strategy to make the data available in relevant dashboards. The overall goal is to help the District make data-informed decisions and have more efficient business processes.
- *Initiative 5: Modernization.* The District continues to embrace technology as a way of reducing costs, enhancing service levels or both. This initiative focuses on three areas of modernization. The first is developing a strategy for Advanced Metering Infrastructure (AMI) for the District. AMI would allow the District to reduce its operating expenses while enhancing the service level to customers. The second focus area of this initiative is implementing a project management center to provide leadership in managing projects within the District. Although the primary goal of the project management center is to manage capital project delivery, all projects executed by the District will benefit from the development of a standardized methodology. Finally, the last area of focus for this initiative is the maturing of the District's asset management efforts. The District continues to acquire data and methods of reducing the costs of maintaining and replacing infrastructure by improving its asset management techniques.
- *Initiative 6: Complete Existing Initiatives.* The District is in mid-execution of two very significant efforts that must be continued in the coming biennium. The first is the construction of the WWSS and the WIF. This long-term project will continue through the end of FY2026 and will require significant financial and managerial resources to be successful. In addition, the District's Customer Information System (CIS) project is at a critical phase and its implementation will carry

Resolution Adopting 2021-23 Biennium Budget and Making Appropriations

over into the 2021-23 biennium. CIS projects are notorious for their risk and complexity. The District will continue to provide the financial and managerial resources to make the CIS project a success. There are four other efforts that are of lesser profile than the WWSS/WIF and CIS efforts. Those lower profile efforts include developing a plan to close the Program Management Office that is managing the WWSS/WIF efforts, complete the branding process for the District, decommission the District's on-premises SharePoint site and maintain the investments in other critical infrastructure within the District.

In accordance with Oregon Local Budget Law, the proposed resolution accomplishes the following: it adopts the biennial budget effective July 1, 2021 and sets legal spending limits for each of the District funds.

Budget Impact:

Adoption of the resolution appropriates the District's budget by fund for the next two fiscal years.








Staff Contact Information:

Paul L. Matthews; Chief Financial Officer/Budget Officer; 503-848-3017; paul.matthews@tvwd.org

Attachments:

Proposed resolution

Management Staff Initials:

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

RESOLUTION NO. 06-21

A RESOLUTION ADOPTING THE BUDGET AND MAKING APPROPRIATIONS FOR THE TUALATIN VALLEY WATER DISTRICT FOR THE 2021-23 BIENNIUM.

WHEREAS, pursuant to the requirements of Oregon Revised Statutes (ORS) Chapter 294, the Board of Commissioners of the Tualatin Valley Water District is required to adopt a budget and make appropriations for the District for the 2021-23 biennium; and

WHEREAS, on May 25, 2021, following public notice and hearing thereon, the duly appointed and authorized Budget Committee unanimously approved the biennial budget proposed for 2021-23, now on file at the District office.

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

Section 1: In compliance with Oregon Local Budget Law under ORS 294, the Board of Commissioners of the Tualatin Valley Water District hereby adopts the biennial budget of the District as approved on May 25, 2021 by the Budget Committee of Tualatin Valley Water District.

Section 2: That the amounts for the biennium beginning July 1, 2021 and for the purposes shown are hereby appropriated as follows:

General Fund	
Appropriations	
Personnel Services	\$42,330,036
Materials & Services	47,640,836
Capital Outlay	705,950
Debt Service	0
Special Payments:	1,625,000
Transfers to Other Funds	83,500,000
General Operating Contingency	20,000,000
Total Appropriation	<u>\$195,801,822</u>
Capital Improvements Fund	
Appropriations	
Capital Outlay	\$379,582,670
Total Appropriation	<u>\$379,582,670</u>
Capital Reserve Fund	
Appropriations	
Transfers to Other Funds	\$376,262,670
Total Appropriation	<u>\$376,262,670</u>

Debt Proceeds Fund		
Appropriations		
Transfers to Other Funds		\$226,500,000
		<hr/>
Total Appropriation		\$226,500,000
Willamette River Water Coalition Fund		
Appropriations		
Materials & Services		\$114,300
General Operating Contingency		11,650
		<hr/>
Total Appropriation		\$125,950
Customer Emergency Assistance Fund		
Appropriations		
Materials & Services		\$531,035
		<hr/>
Total Appropriation		\$531,035
Water Intake Facilities Fund		
Appropriations		
Materials & Services		\$1,056,920
Capital Outlay		6,533,736
General Operating Contingency		107,000
		<hr/>
Total Appropriation		\$7,697,656
Willamette Water Supply System Fund		
Appropriations		
Materials & Services		\$2,343,405
Capital Outlay		452,289,650
General Operating Contingency		235,000
		<hr/>
Total Appropriation		\$454,868,055
Total Appropriations		\$1,641,369,858

Section 3: That the Budget Officer, in accordance with ORS 294.458(2), shall file with the Oregon Department of Revenue a true copy of this resolution and the Exhibit A Notice of Budget Hearing attached hereto and by this reference incorporated herein.

Approved and adopted at a regular meeting held on the 16th day of June 2021.

Bernice Bagnall, President

Todd Sanders, Secretary

Exhibit A: FORM LB-1

A public meeting of the Tualatin Valley Water District will be virtually held on June 16, 2021 at 6:00pm. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2021 as approved by the Tualatin Valley Water District Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected at the Tualatin Valley Water District, between the hours of 9:00 a.m. and 4:30 p.m. or online at www.tvwd.org/budget. This budget is for a biennial budget period 2021-23. This budget was prepared on a basis of accounting that is the same as the preceding biennium.

Contact: Paul Matthews **Ph: (503) 848-3000** **Email: Paul.Matthews@tvwd.org**

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount Biennium 2017-19	Revised Budget This Biennium 2019-21	Approved Budget Next Biennium 2021-23
Beginning Fund Balance/Net Working Capital	209,944,383	132,950,815	93,893,898
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	133,180,525	149,248,486	158,826,968
Federal, State and All Other Grants, Gifts, Allocations and Donations	0	0	0
Revenue from Bonds and Other Debt	0	25,000,000	226,500,000
Interfund Transfers / Internal Service Reimbursements	172,476,060	293,208,559	696,985,290
All Other Resources Except Current Year Property Taxes	64,461,246	251,443,936	483,532,909
Current Year Property Taxes Estimated to be Received	0	0	0
Total Resources	580,062,214	851,851,796	1,659,739,065

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	34,688,179	43,536,651	42,330,036
Materials and Services	34,951,713	44,391,964	51,686,496
Capital Outlay	106,686,147	404,589,611	839,112,006
Debt Service	0	0	0
Interfund Transfers	163,505,599	283,013,943	686,262,670
Contingencies	0	15,209,000	20,353,650
Special Payments	336,823	21,446,000	1,625,000
Unappropriated Ending Balance and Reserved for Future Expenditure	239,893,753	39,664,627	18,369,207
Total Requirements	580,062,214	851,851,796	1,659,739,065

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
Name of Organizational Unit or Program FTE for that unit or program			
Administrative Services Department	4,619,778	7,318,327	8,382,511
FTE	9	9	9
Customer Service Department	9,468,139	11,619,808	11,612,132
FTE	33	37	36
Engineering & Operations Department	20,778,778	25,024,595	27,038,499
FTE	60	59	61
Finance Department	7,473,185	7,113,877	8,545,344
FTE	14	14	14
Water Supply Program	2,971,415	4,870,901	4,084,042
FTE	13	15	12
Information Technology Services Department	4,535,010	5,567,941	6,491,370
FTE	10	10	10
Water Purchases (General Fund)	20,212,227	24,364,600	24,522,925
FTE	0	0	0
Capital Improvements Fund	29,866,781	179,522,721	379,582,670
FTE	0	0	0
Willamette Water Supply Program Fund	79,959,232	0	0
FTE	0	0	0
Capital Reserve Fund	207,483,416	207,101,734	377,164,545
FTE	0	0	0
Bond Construction Fund	0	0	0
FTE	0	0	0
Debt Proceeds Fund	0	25,000,000	226,500,000
FTE	0	0	0
Revenue Bond Debt Service Fund	0	0	0
FTE	0	0	0
Customer Emergency Assistance	38,061	45,805	531,035
FTE	0	0	0
Willamette River Water Coalition Fund	115,474	188,948	129,995
FTE	0	0	0
Willamette Intake Facilities Fund	2,518,332	7,976,440	7,697,656
FTE	0	0	0
Willamette Water Supply System Fund	0	219,184,019	454,868,055
FTE	0	0	0

Non-Departmental / Non-Program	185,547,665	126,979,683	122,588,287
FTE	0	0	0
Total Requirements	575,587,491	851,879,400	1,659,739,065
Total FTE	139	144	142

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

Total Approved 2021-23 Budget general fund operating expenditures increase 5.0% for the two-year period. The personnel services budget decreased by 2.8%, while the budget for materials and services increased by 13.1%.

Total capital outlay expenditures increase 207.4%, driven by the timing and scope of the District's participation in the Willamette River Water Supply Program (WWSP) and serving as managing agency for both the Willamette Water Supply System (WWSS) and Willamette Intake Facilities (WIF) joint ventures. Approved in-district capital improvements plan (CIP) expenditures continue to be planned for reservoir, pump station, and pipeline construction and upgrades. No debt service is included in the Approved 2021-23 Budget. In 2019, the District secured a Water Infrastructure Finance and Innovation Act loan through the US Environmental Protection Agency and is planning to draw \$265 million during the 2021-23 Biennium to finance its investment in the WWSS.

Transfers to other funds, although not an expenditure category, represents the second largest appropriation item in the Approved 2021-23 Budget at \$686.3 million. The District uses a capital reserve fund to hold substantially all current and future district reserves. This fund supports the in-district CIP and the District's share of the WWSS and WIF. Transfers to the capital reserve fund are initiated through the general fund and the debt proceeds fund, and during the biennium transfers out from the fund will support the District's capital project expenditures. General fund operating contingency is budgeted at \$20 million and contingencies of \$11,650, \$107,000, and \$235,000 are approved for the Willamette River Water Coalition, the WIF, and the WWSS Funds respectively. Contingency can only be accessed through approval by resolution by the District Board of Commissioners. Special payments decreased by 92.4% in the Approved 2021-23 Budget. The District budgeted \$20 million in the 2019-21 Budget to establish a PERS side account, which resulted in a reduction of future pension obligations.

Total Approved 2021-23 Budget resources, including transfers, debt proceeds, reserves and fund balance increase 94.8%. Primary revenues to support operating, WWSS, WIF and in-district CIP expenditures include water rates and service fees, contributed capital from WWSS and WIF partners, contract reimbursements for services provided to other entities, and meter and services installation fees paid by customers/developers. Water services charges and fees increase 6.4% based on projected rates and fees for services, projected water demand, and customer growth. System development charges are projected to decrease 16.2% based on development trends. WWSS and WIF partners pay their portion of water supply project expenditures. The Approved 2021-23 Budget includes \$462.6 million in contributed capital and reimbursements by WWSS/WIF partners.

PROPERTY TAX LEVIES

	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (rate limit _____ per \$1,000)	0	0	0
Local Option Levy	0	0	0
Levy For General Obligation Bonds	0	0	0

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	\$0
Other Bonds	\$0	\$0
Other Borrowings	\$0	\$0
Total	\$0	\$0

* If more space is needed to complete any section of this form, insert lines (rows) on this sheet or add sheets. You may delete unused lines.

Tualatin Valley Water District



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To: Board of Commissioners

From: Andrew Barrett, PE, Senior Project Engineer

Date: June 16, 2021

Subject: Alternative Delivery Endorsement: Taylors Ferry Reservoir Replacements and Pump Station

Requested Local Contract Review Board Action:

Acting as the Local Contract Review Board, consider adopting a resolution declaring an exemption from competitive bidding for the Taylors Ferry Reservoir Replacements and Pump Station project and authorize proceeding with a Construction Manager/General Contractor (CM/GC) contract.

Key Concepts:

- To allow the use of alternative project delivery, Oregon Revised Statutes 297C.335 requires the District's Local Contract Review Board to approve an exemption from competitive bidding.
- Staff recommends procuring the Taylors Ferry Reservoir Replacements and Pump Station project using the CM/GC method to avoid unnecessary work, reduce overall project risk, obtain specialized expertise, reduce cost and reduce time required to deliver the project when compared to using traditional lowest responsive bid delivery methods.
- If adopted, the proposed resolution authorizes the District to use the CM/GC method to deliver the project.

Background:

Typically, public improvement projects are delivered using a design-bid-build method, which includes designs by professional engineers with construction being completed by a "lowest responsive bid" contractor. For most public improvement projects, a design-bid-build method provides good results with low risk for poor quality, delayed schedule or budget exceedance. However, for some other more complicated projects, this approach may manage certain risks poorly. In those circumstances, an alternative project delivery method may better manage risk by incorporating feedback and buy-in from the design engineer, the contractor and the District prior to acceptance of a cost proposal. The District's recent experience with the design-bid-build approach for complicated projects has resulted in a lot of additional time and energy to deliver certain projects.

The Taylors Ferry Reservoir Replacements and Pump Station project (Project) consists of construction of proposed site improvements to include the seismic upgrade and replacement of both the existing steel and concrete reservoirs with two new prestressed concrete reservoirs, a new pump station, a new District operations and equipment storage building, site piping upgrades, backup power and associated infrastructure improvements. The new reservoirs are planned to be 1.75 million gallons (MG) each to meet current and future demand for the 498-pressure zone. Also, the reservoir sizes maximize the

Taylor's Ferry Reservoir Replacements and Pump Station Alternative Project Delivery Resolution

available constrained site space. The pump station is designed to pump water into the 643-pressure zone in anticipation of the Willamette Water Supply System (WWSS) coming online and the City of Portland system not supplying water to the District. All onsite piping will be upgraded and replaced as it was previously identified as in poor condition and is not seismically resilient. Several operating modes are anticipated to provide system flexibility for maintenance needs.

The site is on property at 6501 SW Taylor's Ferry Road, near the intersection of SW Taylor's Ferry Road and SW 65th Avenue. The property is already owned by TVWD and is the current location of the old Metzger headquarters. The existing building will be demolished, and many of the existing pipe, fittings and other parts stored at the yard will be removed, stored or recycled.

This Project was evaluated in the TVWD 2018 Master Plan Update and determined to be a priority project due to its current condition, location, the need for resiliency in Metzger area and the need to have it and other improvements complete prior to the WWSS coming online in 2026.

Staff has evaluated the Project implementation strategies and recommends that an alternative delivery method be used to deliver the Project due to the criticality and complex nature of the pump station, reservoirs, limited site area, limited time for design and installation, onsite contamination and potentially liquefiable soils, long lead times for pumps and other essential components and reduction of overall owner risks.

Budget Impact:

This Project was included in the 2019-21 biennial budget but was delayed and is expected to be mostly completed in the 2021-2023 biennium with some lingering work and cost occurring in Fiscal Year 2024. Construction of the project is currently scheduled to be completed by August 2024, and the estimated design and construction cost is approximately \$12.6 million which is included in the current budget.

Staff Contact Information:

Andrew Barrett, PE; Senior Project Engineer; 503-848-3091; Andrew.Barrett@tvwd.org





Attachments:

Proposed Resolution

Exhibit 1 – Findings for An Exemption from Competitive Bidding for Taylor's Ferry Reservoir Replacements and Pump Station

Attachment – Alternative Delivery Method Scoring

Management Staff Initials:

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

RESOLUTION NO. 07-21

ACTING AS THE LOCAL CONTRACT REVIEW BOARD, A RESOLUTION DECLARING AN EXEMPTION FROM COMPETITIVE BIDDING FOR THE TAYLORS FERRY RESERVOIR REPLACEMENTS AND PUMP STATION PROJECT AND AUTHORIZE PROCEEDING WITH A CONSTRUCTION MANAGER/GENERAL CONTRACTOR CONTRACT.

WHEREAS, this matter came before the Board of Commissioners of the Tualatin Valley Water District, acting as the Local Contract Review Board, hereinafter referred to as the Board; and

WHEREAS, the District owns the property at 6501 SW Taylors Ferry Road which currently sites one concrete reservoir, one steel reservoir and the previous Metzger Water District Headquarters building. These facilities will be demolished in an appropriate manner to construct two new prestressed concrete reservoirs, a pump station, pressure reducing valve(s), a storage facility, yard piping, control systems and all associated civil improvements to serve the 643 and 498 pressure zones in the Metzger service area; and

WHEREAS, the District has included the funding for the Taylors Ferry Reservoir Replacements and Pump Station project in the District's existing Capital Improvement Program budget; and

WHEREAS, the District has evaluated four potential project delivery options, including Design-Bid-Build, Construction Management/General Contractor, Design-Build and Progressive Design-Build; and

WHEREAS, based on an evaluation, Construction Manager/General Contractor would bring the best value to the District and meet the District's requirements on the project cost and schedule; and

WHEREAS, the District has developed findings required by Oregon Revised Statute 297C.335 for an exemption from competitive bidding for the Taylors Ferry Reservoir Replacements and Pump Station project, as described in Exhibit 1, attached hereto and incorporated by reference, that the exemption is unlikely to encourage favoritism in the awarding of the contract or substantially diminish competition for the contract and that awarding a contract under the exemption will likely result in cost savings and other substantial benefits to the District; and

WHEREAS, the Local Contract Review Board has advertised for and conducted a public hearing under Oregon Revised Statute 297C.335 to provide opportunity for comments on the Findings as described in Exhibit 1.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TUALATIN VALLEY WATER DISTRICT, ACTING AS THE LOCAL CONTRACT REVIEW BOARD, THAT:

Section 1: The Board hereby adopts the Findings attached as Exhibit 1 and grants the exemption from competitive bidding for the Taylors Ferry Reservoir Replacements and Pump Station project.

Section 2: The Board hereby directs and authorizes the Public Contracting Officer, to take all action to adopt the Construction Manager/General Contractor delivery method for the Taylors Ferry Reservoir Replacements and Pump Station.

Approved and adopted at a regular meeting held on the 16th of June 2021.

Bernice Bagnall, President

Todd Sanders, Secretary



EXHIBIT 1

FINDINGS FOR AN EXEMPTION FROM COMPETITIVE BIDDING

FOR TAYLORS FERRY RESERVOIR REPLACEMENTS AND PUMP STATION PROJECT

Oregon Revised Statutes (ORS) 279C.300 requires public improvement contracts be procured by a competitive bidding process unless an exemption is granted by the contracting agency's Local Contract Review Board (LCRB) under ORS 279C.335. To grant an exemption, ORS 279C.335 (2) requires the contracting agency to develop the findings that:

- a) The exemption is unlikely to encourage favoritism in awarding public improvement contracts or substantially diminish competition for public improvement contract; and
- b) Awarding a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to the contracting agency.

In making these findings, ORS 279C.335(2)(b) requires that the LCRB must consider the type, cost and amount of the contract and, to the extent applicable to the particular public improvement contract, the items under ORS 279C.335(2)(b)(A-N). The TVWD Board of Commissioners is the LCRB who must approve the exemption.

This document presents information the LCRB will consider in its finding to exempt the Taylors Ferry Reservoir Replacements and Pump Station project from competitive bidding and to use a Construction Manager/General Contractor (CMGC) method of delivery.

Project Background

TVWD is undertaking the Taylors Ferry Reservoir Replacements and Pump Station project to provide seismically resilient, reliable water supply to customers in the Metzger area. This project consists of proposed site improvements to include the replacement of both the existing steel and concrete reservoirs with new prestressed concrete reservoirs, a new pump station, a new District operations and equipment storage building, site piping upgrades, backup power and associated infrastructure improvements. The new reservoirs are planned to be 1.75 MG each to meet current and future demand for the 498-pressure zone. The tanks are sized to maximize the available constrained site space. The pump station is designed to pump water into the 643-pressure zone in anticipation of the WWSS coming online in 2026 and the City of Portland system not supplying water to the District. All onsite piping will be replaced as it was previously identified as being in very poor condition and is not seismically resilient. Several operating modes are anticipated to provide system flexibility for maintenance needs.

The site is on property located at 6501 SW Taylors Ferry Road, near the intersection of SW Taylors Ferry Road and SW 65th Avenue. The property is already owned by TVWD and is the current location of the old Metzger headquarters. The existing building will be demolished, and many of the existing pipe, fittings and other parts stored at the yard will need removed, stored or recycled. Both reservoirs are planned on being replaced at this time.

Construction of the Taylors Ferry Reservoir Replacements and Pump Station project will likely include the following:

- Clearing of the site at 6501 SW Taylors Ferry including removal of the onsite building and frontage improvements
- Constructing two 1.75 MG prestressed concrete reservoirs in sequence to continue to provide adequate storage to the existing pressure zones
- Construction of a new pump station capable of pumping approximately 1,700 gpm to the 643-pressure zone in the Metzger area
- PRV(s) as needed
- Water quality monitoring and equipment
- Site security
- Waterline installation to replace all onsite piping, and needed connections between the reservoirs and PRV(s)
- Improvements to the site and storm water management
- A new storage building
- Backup power, SCADA, security and other systems needed

Construction of the project is scheduled to be completed in June 2023 and is estimated to cost approximately \$12.6 million.

TVWD has evaluated four (4) potential project delivery options, including the Design-Bid-Build method and three alternative methods (Construction Management/General Contractor (CM/GC), Design-Build and Progressive Design-Build). The evaluation identifies CM/GC as the preferred delivery method to meet TVWD's requirements on this project, which include cost and schedule.

TVWD plans to select the CM/GC for the project through a one-step process, which will be a combination of qualification-based and price-driven selections.

TVWD is in process of selecting an Engineering Consultant for this project. The Engineering Consultant will advise TVWD on CM/GC matters. According to the current schedule, TVWD will advertise the project and select the CM/GC team in July 2021, immediately after the Engineering Consultant has been onboarded. The CM/GC team will have experience in similar projects and will have to be a licensed construction firm in good standing with the State of Oregon.

Summary of Findings

With regard to ORS 279C.335, the LCRB will consider the following findings in its decision to exempt the Project from competitive bidding and use the CM/GC method of delivery:

a) The exemption is unlikely to encourage favoritism in the awarding of the public improvement contract or substantially diminish competition for the public improvement contract.

The CM/GC team will be selected through a competitive one-step process that fosters competition and focuses on qualifications and delivering best value to TVWD. TVWD will issue a Request for Qualification (RFQ) in a manner that will attract a CM/GC team that has the specialized knowledge, capacity and skills for the project.

Findings: Exemption from competitive bidding for Taylors Ferry Reservoir Replacements and Pump Station Project
Tualatin Valley Water District

There are a sufficient number of firms that are qualified for the project and are available to respond to the RFQ. A solicitation of interest letter has been sent to potential respondents and a Request for Letters of Interest (RLOI) for the Taylors Ferry Reservoir and Pump Station project was also published in the Daily Journal of Commerce (DJC) on May 12, 2021 to attract firms that are unaware of the project. Ten firms responded to the interest letter or the RLOI and expressed interest in the project.

TVWD will use Water Design-Build Council (WDBC) guidance documents for the RFQ, assuring best industry practices are followed and to maintain interest in the project. The RFQ will be published in the DJC to attempt to notify all potential respondents.

TVWD will take measures to ensure open competition will occur. Strict adherence to predefined scoring criteria in the procurement document will be followed. Scoring criteria will include the experience of the CM/GC team and project personnel; understanding of the technical and work requirements for the project; approach for managing and minimizing project risks; ability to deliver the project according to the schedule; approach to safety; and consideration of design support costs or fees. Review of proposals and scoring will be performed by TVWD staff.

Findings: The pool of potential CM/GC teams and the selection process to be used by TVWD make the exemption unlikely to encourage favoritism in the awarding of the public improvement project or substantially diminish competition for the public improvement contract.

b) Awarding a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to TVWD

The CM/GC method allows contractor input and collaboration of the contractor in the early design phase of the project to provide innovative solutions, constructability opinions and realistic construction-pricing and scheduling. Along with value engineering through design reviews and design development, it gives TVWD opportunities to make cost-benefit decisions and to reduce project costs. The CM/GC team will secure some aspects of work (e.g., equipment such as pumps) through competitive bids potentially early in the project to avoid price escalation and schedule delays during the construction period. The CM/GC method also allows TVWD to award an early construction package and/or negotiate the Guaranteed Maximum Price (GMP) contract prior to completion of the overall design so that the CM/GC team can eliminate price uncertainty and/or mitigate some risk of future price escalation. The CM/GC team can utilize the process and construction narratives instead of detailed specifications for construction, which can reduce the project schedule and overall project cost.

The CM/GC delivery method can also provide cost savings for overall professional engineering services. By utilizing the CM/GC delivery method, preparation of final bidding documents and bidding services from the engineer is not required, and the level of detail in the design documents can be reduced due to close collaboration within the CM/GC team.

Additionally, a collaborative decision-making process in the CM/GC method gives the potential to reduce construction claims and minimize TVWD's risks. By contracting with the CM/GC early in design, constructability feedback will be received early allowing for reduction of risks associated with claims.

The collaborative approach and partnerships between TVWD, the Engineering Consultant and the CM/GC team also allows for additional focus on safety which can improve safety for TVWD, the CM/GC team, the public, as well as all other parties affected by the project. This collaborative approach brings the best value to TVWD.

Finding: Awarding the project under the exemption will likely provide great opportunities for cost savings and other substantial benefits to TVWD. The exemption provides a collaborative work approach between the engineer and contractor during the design and throughout the project under the CM/GC delivery method. This could result in substantial cost savings associated with cost-benefit decisions being made by the collaborative team and early construction or securing work earlier to avoid price escalation. Overall collaboration in the CM/GC delivery method could also reduce the project schedule and engineering design cost, minimize TVWD's risks and enhance safety to the public, CM/GC team and TVWD staff.

Responses to Items under ORS 279C.335(2)(b)

Pursuant to ORS 279C.335(2)(b), the LCRB must consider the type, cost and amount of the contract and, to the extent applicable to the particular public improvement contract. Findings to be considered by the LCRB for the Taylors Ferry Reservoir Replacements and Pump Station project are the items under ORS 279C.335(2)(b)(A-N) are as follows:

a) How many persons are available to bid?

TVWD will ensure maximum competition and fair opportunity for the project. A solicitation of interest letter will be sent to potential candidates for a role on the CM/GC project. TVWD will issue a Request for Qualification (RFQ) for the CM/GC team. The RFQ will be written in manner to attract a CM/GC team that has the specialized knowledge, capacity and skills for the project within the State of Oregon, the Pacific Northwest and nationally. The RFQ will be published in the DJC and posted in the TVWD's website to attempt to notify all potential respondents.

Potentially qualified firms that may respond to TVWD for the project or have expressed their interest are listed below. A CM/GC team can be a single contractor or a joint venture of contractors or team in different ways to respond to the RFQ. A solicitation of interest letter has been sent to 12 potential respondents and Request for Letters of Interest (RLOI) for the Taylors Ferry Reservoir Replacements and Pump Station project was also published in the DJC on May 12, 2021 to attract firms that are unaware of the project. The following 10 firms responded and expressed interest in the project.

1. Emery and Sons
2. Slayden
3. Moore Excavation
4. Landis and Landis
5. Prospect Construction
6. K&E Excavation
7. McClure and Sons
8. James W. Fowler Co.
9. Rotschy, Inc.

10. Ward-Henshaw

b) The construction budget and the projected operating costs for the completed project

The estimated construction cost for the project is approximately \$12.6 million. Operational costs for the project are estimated to be \$50,000 annually. Implementation of the project will not increase the need for TVWD operations staff as the existing site needs to be maintained and visited regularly. Through the “fast-track” process, the CM/GC method can reduce overall project schedule by reducing delays caused by long order times such as pumps and motor controlled valves. This reduces the capital cost by reducing time-related overhead charges.

c) Public benefits that may result from granting the exemption

A qualification-based selection in an alternative delivery method enables competition among the most qualified contractors and results in a high-quality project to better meet the public and TVWD’s needs.

Potential cost savings from the CM/GC method is a benefit to TVWD ratepayers. Public benefits can also be achieved from the shorter construction schedule. By utilizing the CM/GC method a new Taylors Ferry Reservoir Replacements and Pump Station can be delivered sooner to serve the area with a more reliable and resilient water supply. Along with a reduced construction schedule and collaborative work approach the CM/GC provides the potential to minimize the construction impact on the local community.

d) Whether value engineering techniques may decrease the cost of the project

The CM/GC method allows TVWD to utilize value engineering to potentially achieve greater cost savings during the design phase, before design decisions are finalized and before the Guaranteed Maximum Price (GMP) is established for construction. The value engineering approach is planned to be used throughout the design by including the CM/GC in design workshops. Formally, value engineering is planned to be performed at the 30% design milestone. The review will be performed by the Engineering Consultant, TVWD staff and may potentially utilize additional independent reviewers external to the project team, along with CM/GC team participation. Through the collaborative process, the CM/GC team will provide input on innovative solutions, constructability opinions and realistic construction-pricing that allows opportunities for TVWD to make cost-benefit decisions and reduce the overall project cost. It is anticipated that the selected CM/GC team will seek competition on various components of the work which may also assist in providing value and decreasing the overall cost of the project.

e) The cost and availability of specialized expertise that is necessary for the project

The project requires the specialized CM/GC team to have experience in design and construction of a prestressed concrete reservoir, a pump station and ductile iron pipeline and have knowledge of permitting requirements. In addition, the CM/GC team will understand the importance of coordinating the project construction work to meet TVWD operational needs and will be capable of

addressing geotechnical and construction issues. TVWD's overall project scope is to build proposed site improvements to include the replacement of both the existing steel and concrete reservoirs with two new prestressed concrete reservoirs, a new pump station, a new District operations and equipment storage building, site piping upgrades, backup power and associated infrastructure improvements. Major construction elements and equipment may be competitively bid with TVWD reviewing bids as part of the development of the GMP. This will ensure competitive costs for the project. The overall cost is expected to be similar to or lower than a Design-Bid-Build project total cost. Firms listed above will need to show that they possess the specialized expertise necessary for the project.

The cost and availability of specialized expertise won't affect the CM/GC method. Procurement of the CM/GC team based on qualifications, delivery approach, and initial pre-construction costs will enable TVWD to retain a well-qualified team and obtain competitive pricing.

f) Any likely increases in public safety

TVWD requires construction contractors performing the work with TVWD to have successful performance records for safety and protection of the contractors, neighbors, the owners and the public who will be affected by the project. In addition, clean and safe water supply from existing facilities, which will need to remain in operation, to the customers and the public must be assured during the construction and when the new pump station is being tested and placed in service.

The CM/GC method allows TVWD to evaluate the CM/GC team's safety record and to consider historical performance of the CM/GC teams in previous similar projects as a selection criterion. One evaluation criteria would be the Experience Modification Ratio (EMR) for the CM/GC team and key subcontractors. Using the CM/GC method, TVWD is able to work closely with the CM/GC team to ensure appropriate safety measures are embedded in the design and construction and all the TVWD and public safety concerns are addressed.

g) Whether granting the exemption may reduce risks to TVWD or the public that are related to the public improvement

The CM/GC method will put TVWD in a better position to complete the project on schedule while minimizing its risks, costs and reduced staff time compared to the DBB method.

The CM/GC method allows the contractor's input and collaboration of designer and contractor in the early design phase, which enables the contractor to understand the project from the beginning, to develop constructible solutions during the design and to reduce the potential conflicts, issues and disputes during construction. It also mitigates the risk of project uncertainty when design translates into construction and the risk of service interruption when the construction is underway.

The CM/GC method also allows TVWD to work closely with the CM/GC team to ensure public safety and reduce risks.

h) Whether granting the exemption will affect the sources of funding for the public project

The project is funded from the TVWD capital improvement fund which is supported by revenue generated from water sales. Granting the exemption will not affect the sources of funding. Additional funding sources such as grants and WIFIA loan funds are being pursued, and granting the exemption will not affect the source of the funding.

i) Whether granting the exemption will better enable TVWD to control the impact that market conditions may have on the cost of and time necessary to complete the project

Granting the exemption will better enable TVWD to control the impact of market conditions on costs. The current construction market for public projects has been impacted by the significant increase in commercial construction and the COVID-19 pandemic. There has been a substantial rise of labor and material costs in recent years and part and material availability due to pandemic restrictions. Compared with the DBB method, the CM/GC method provides TVWD with the flexibility to reduce the impact of market conditions, especially in the current price-increasing market coupled with delays related to the pandemic.

The CM/GC method allows the selected CM/GC team to secure some aspects of work (e.g., equipment, site civil) through competitive bids early on in the project, which can reduce price uncertainty and avoid price escalation during the construction period. The CM/GC method also permits TVWD to partner with the CM/GC team to award an early construction package prior to completion of the overall design. The CM/GC team intends to establish the GMP before the completion of the final design and TVWD can negotiate the GMP contract to have the CM/GC team to bear/share some risks of future price escalation. In addition, the CM/GC team can utilize the process and construction narratives instead of detailed specifications for construction if permitted by TVWD in its discretion, which can reduce the project schedule and lessen the impact of price increases.

j) Whether granting the exemption will better enable TVWD to address the size and technical complexity of the project

CM/GC can address the size and technical complexity of the project more effectively than the DBB method because of the qualification based selection of the CM/GC team and better collaboration between the designer and contractor. The technical complexity of the project is due primarily to the limited work area, operating the site while building on it, the project schedule and the criticality of the Taylors Ferry Reservoir Replacements and Pump Station and system components in the water distribution system. It requires the contractor to be capable of managing all of these complicated issues. The CM/GC method will allow TVWD to retain a highly qualified contractor with sufficient experience and knowledge to manage, supervise and perform the work to meet the project's needs.

k) Whether the project involves new construction or renovates or remodels an existing structure

The project will install a new pumping facility, new project piping, ancillary facilities, storage building and two new reservoirs. It will use an existing site which will be modified along with system piping for

this project. The bulk of the work required involves replacing existing infrastructure, the main exception being the new pump station.

l) Whether the project will be occupied or unoccupied during construction

The existing site must keep at least one reservoir online and operational at all times throughout the construction. This could be the existing steel reservoir or one of the new reservoirs. Additionally, all maintenance activities required to keep the reservoirs online and operational must continue throughout construction. The CM/GC team will need to coordinate with other agencies and TVWD for site access, safety of all and protection of existing utilities and ancillary facilities.

m) Whether the project will require a single phase of construction work or multiple phases of construction work to address specific project conditions

Construction of this project may be completed in a single phase or in several small phases. An advantage of CM/GC is the ability to bid multiple packages if it is beneficial to do so. TVWD has a schedule showing several phases of work that can deliver the project on time. These phases of work include ordering parts, tank construction and facility construction.

The CM/GC method allows the contracting team to lay out the project roadmap and develop the schedule early on to ensure that construction is being performed within TVWD's desired timeframe. This will also be beneficial when scheduling the work to connect to meet any operational changover needs for the tanks, or in the event the scope will need scaled back to meet budgetary restrictions or product delivery delays due to COVID-19.

n) Whether TVWD will use TVWD personnel, consultants and legal counsel that have the necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that TVWD will use to award the project contract and to help negotiate, administer and enforce the terms of the project contract

TVWD staff are experienced using the CM/GC method to deliver prior projects. TVWD has completed a progressive design build project with great success, and is currently working on the Farmington Road Fluoride and Flow Control Facility project as a CM/GC project. An engineering consultant will be hired to prepare the overall project design and will be scoped to assist with the CM/GC process as a third-party with experience in alternative delivery. Legal assistance may be provided by TVWD in-house counsel or by an independent legal firm with the appropriate expertise in the event that it is needed.

Finding: The Board finds that the criteria of ORS 279C.335(2)(b)(A-N) are satisfied through the foregoing discussion.

Attachment - Alternative Delivery Method Scoring

Criteria	Needed	DBB	CM/GC	DB	PDB
Owner Control					
Enables Owner to Control Decision-making throughout the Design Process	X	+	+	-	+
Enables Owner to Use Qualifications in Design Consultant Selection	X	+	+	0	0
Enables Owner to Use Qualifications in Construction Contractor Selection	X	-	+	+	+
Ability to Separate Work into Discrete Packages for Design and/or Construction Delivery, including Cash Flow	X	-	+	+	+
Enables Owner to Manage Interactions with Stakeholders	X	0	+	0	+
Operations					
Ability to Minimize Impacts to Existing Operations During Construction	X	0	+	0	+
Enables Transition of Operational and Maintenance Control to the Owner Meeting the Schedule	X	0	+	-	+
Ability to have Performance Guarantee for Operations	X	0	+	0	+
Contractor Input					
Secures Contractor Input on Innovation, Efficiency of the Design, Constructability, and VE Concepts throughout Design	X	-	+	+	+
Project complexity requires Contractor input to construct project.	X	-	+	0	0

Secures Contractor Input on Pricing and Schedule	X	-	+	+	+
Cost					
Enables Owner to Accrue Innovation and VE Savings during Design	X	-	+	0	+
Maximizes Owner's Share of Innovation and VE Savings during Construction	X	+	+	+	+
Promotes Competitive Construction Pricing that Benefits Owner	X	+	-	+	-
Minimizes Risk and Contingency Pricing within Construction Bids	X	-	+	0	+
Promotes Competitive Design Pricing that Benefits Owner	X	+	0	+	0
Maximizes Long Term Value / Lower Life Cycle Cost	X	0	+	-	+
Price Certainty Early in the Project	X	-	+	+	+
Risk Allocation					
Enables Owner to Define Role in Resolving Changes and Disputes among Parties	X	+	0	-	0
Contracting Arrangement Enables Allocation of Risk to Party Best Able to Manage the Risk	X	0	+	0	+
Minimize Owner's Involvement in Changes and Disputes among Parties	X	0	0	+	+
Schedule					
Enables Project to Achieve Construction Completion Meeting Owner's Schedule	X	0	+	0	+

Scoring Notes

Positive = + points

Neutral = 0 points

Negative = - points

Fatal Flaw= X

Definitions

DDB = Design, Bid, Build

CMGC = Construction Manager/General Contractor

DB = Design Build

PDB = Progressive Design Build

Tualatin Valley Water District



Delivering the Best Water 💧 Service 💧 Value

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DRAFT

Board Meeting Minutes
May 19, 2021

This meeting was held by phone and the internet.

REGULAR SESSION – 6:04 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; Paul Matthews, Chief Financial Officer; Carrie Pak, PE, Chief Engineer; Clark Balfour, General Counsel; Dave Kraska, PE, Water Supply Program Director; Andrew Carlstrom, Customer Service Manager; Amy Blue, Human Resources Director; Mike Jacobs, Risk Management Coordinator; Andrea Watson, Communications and Public Affairs Supervisor; David Shick, Controller; Lisa Houghton, WWSP Finance Manager; Debbie Carper, District Recorder

REPORTS BY THE CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF

Mr. Hickmann reported on recent *Cryptosporidium* detections in Bull Run water as well as modified guidance from the Centers for Disease Control (CDC) regarding face covering requirements (see attached memo). He said that the Oregon Health Authority and Oregon Occupational Safety and Health Administration have announced their updated requirements align with CDC guidance. Mike Jacobs, Risk Management Coordinator, will verify employee vaccination status to allow employees who have been vaccinated to forego wearing masks and social distancing. Mr. Hickmann said the District has been working on an Alternate Work Arrangements policy.

He asked the Board for feedback regarding in-person versus virtual Board meetings. Commissioners expressed a desire to discuss the matter further in a work session. During that discussion they would like to learn more about audiovisual upgrade options for the board room and consider changing how meetings are broadcast to the public.

Mr. Hickmann continued his announcements by describing the National Weather Service forecast for the region, legislative updates, the latest Talkin' Water virtual forums and the recent availability of the District's 2020 Water Quality Report. He said the next day he is scheduled to speak to the Oregon House of Representatives Water Committee regarding investing in projects that enhance seismic resiliency.

In response to a question, staff clarified the Willamette River water level is at 50% of normal currently.

Mr. Matthews presented the safety moment on drunk driving.

Mr. Matthews presented the department report on documents produced by the Finance Department, including Financial Management Policies, the Financial Plan, the biennial budget, the Comprehensive Annual Financial Report, the Indirect Cost Allocation Plan, Business Case Evaluation Guidelines and Agency Agreement Letters (see attached presentation). He said staff would also like to produce a System Development Charge Report as well as a Cost-of-Service Analysis.

Next, Mr. Matthews reported on how the Willamette Water Supply Program (WWSP) Baseline 6.1 Budget, which included project deferrals, was considered by the Environmental Protection Agency as being within the parameters of the Water Infrastructure Finance and Innovation Act loan agreement.

In response to a question, Mr. Kraska said the WWSP baseline budget is updated each year. Baseline 6.1 was approved at the April Willamette Water Supply System Commission Board meeting. Staff will begin preparation of the next budget update in December 2021 and take it through the normal approval process.

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 April 21, 2021 regular meeting minutes.

B. Approve the May 4, 2021 work session minutes

Motion was made by Doane, 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

- A. Consider adopting Resolution 04-21, a resolution approving the District's Financial Plan for the 2021-2023 biennium. *Staff Report – Paul Matthews*

Mr. Matthews described the District's financial management process, the Financial Plan's purpose and intended audience and the policy-driven approval requirement before providing additional information on the plan contents (see attached presentation). He said staff may add an Operations Plan, Capital Improvements Plan and additional historical information to future plans. Mr. Matthews concluded with the additional actions staff would take if the Board approves the plan.

In response to a question, he said the net leverage ratio does not take into account customer income information; however, rating agencies examine District demographics and affordability measurements at the county level.

Motion was made by Duggan, seconded by Doane, to adopt Resolution 04-21, a resolution approving the District's Financial Plan for the 2021-2023 biennium. The motion passed unanimously with Bagnall, Doane, Duggan, Sanders and Schmidt voting in favor.

- B. Consider adopting Resolution 05-21, a resolution transferring General Fund general operating contingency appropriation to Willamette Intake Facilities (WIF) Fund materials and services appropriation and capital outlay appropriation for the biennial budget period 2019-21. *Staff Report – Paul Matthews*

Mr. Matthews described the WIF Fund, the District's role as Managing Agency for the WIF, options to align the District's biennial budget with the WIF annual budget and staff's recommended transfers of appropriations (see attached presentation).

Motion was made by Sanders, seconded by Doane, to adopt Resolution 05-21, a resolution transferring General Fund general operating contingency appropriation to Willamette Intake Facilities Fund materials and services appropriation and capital outlay appropriation for the biennial budget period 2019-21. The motion passed unanimously with Bagnall, Doane, Duggan, Sanders and Schmidt voting in favor.

ADJOURNMENT

There being no further business, President Bagnall adjourned the meeting at 7:43 p.m.

Bernice Bagnall, President

Todd Sanders, Secretary



MEMO

Date: May 19, 2021

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** – For the month of April 2021, the Portland Water Bureau reported a total of two *Cryptosporidium* oocyst detections in water samples collected from the Bull Run Headworks. The Oregon Health Authority has determined that the public does not need to take additional protections at this time. Complete results of Portland's *Cryptosporidium* monitoring are posted on the City's website:
<https://www.portland.gov/water/water-quality/test-results#toc-cryptosporidium>.
2. **COVID-19 Update** – The District is closely monitoring workforce related COVID-19 implications. Last week, the Center for Disease Control (CDC) announced modified guidance. Staff is working with Oregon OSHA to see when/if we can lift face covering requirements at TVWD.

In addition, TVWD has been working towards an Alternate Work Arrangement policy for eligible staff. This policy encompasses alternate work schedules, telework, and telecommuting opportunities and would be effective after temporary emergency work from home provisions are discontinued.

The Board may want to start thinking about when/if it wants to start holding in person meetings again. Currently, we can hold in person meetings if everyone is masked and socially distant. However, this may be lifted in the near future and the Board may want to consider when they will start holding in person meetings again. The other issue for the Board to consider is if they want to continue the option for virtual attendance even after the constraints of the pandemic are lifted. Some agencies have expressed a desire to continue virtual attendance because of its convenience. We have budgeted for an upgrade in the AV system for the Board Room which would allow for some to participate virtually in the near future.

3. Weather Forecast – The National Weather Service recently provided an updated forecast for the region. We are working with all of our regional partners closely and monitoring the situation. Here are the key takeaways:

- Willamette Valley – driest April on record
- Past 60 days in Oregon between 25-75% below normal rainfall
- Three-month outlook is dry and warmer than normal
- Expecting lowest stream flows on record (Clackamas doing pretty good right now due to good snow pack – but expect will be at 2015 levels by mid-summer)
- Willamette River at Salem 50% of normal

4. Legislative Update – TVWD continues to pursue potential funding opportunities at both the federal and state level. Last week, the District's AMI funding request was submitted to the Senate. We are also closely watching any Federal Infrastructure Bills that may provide funding. In terms of utility assistance, we know that the December 2020 and American Rescue Act program funds will be kept separately. Both funding streams will be passed through the Oregon Housing and Community Services Department and those will pass through to the Community Action agencies. The funding amounts are expected in the coming weeks.

5. Talkin' Water – TVWD's next Talkin' Water virtual forum event, featuring backflow prevention, will be held June 2, at noon. The presentation will be provided by Kahlil Howell, Senior Water Quality Inspector. Registration information will be posted to the District's website at www.tvwd.org/virtualforums.

The May Talkin' Water event was held at noon today, by Steve Carper, Water Conservation Technician. Over 100 customers registered for this event, and the content is available via tvwd.org or on our YouTube channel. If you have an irrigation system, there are some great tips on how to conduct your outdoor watering for efficiency while maintaining healthy landscaping and grass.

6. 2020 Water Quality Report – The 2020 Water Quality Report is now available at: tvwd.org/wqreport. This required publication summarizes findings from the 2020 water sampling. Tualatin Valley Water District's water quality passed the regulatory compliance standards.

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

Finance Department Report

What's All This Writing About

May 19, 2021
Regular Board Meeting

Tualatin Valley Water District

Delivering the Best Water 💧 Service 💧 Value

1

Overview

Finance Department

- Documents Finance produces
- Update on WIFIA and Baseline 6.1

Delivering the Best Water 💧 Service 💧 Value

2

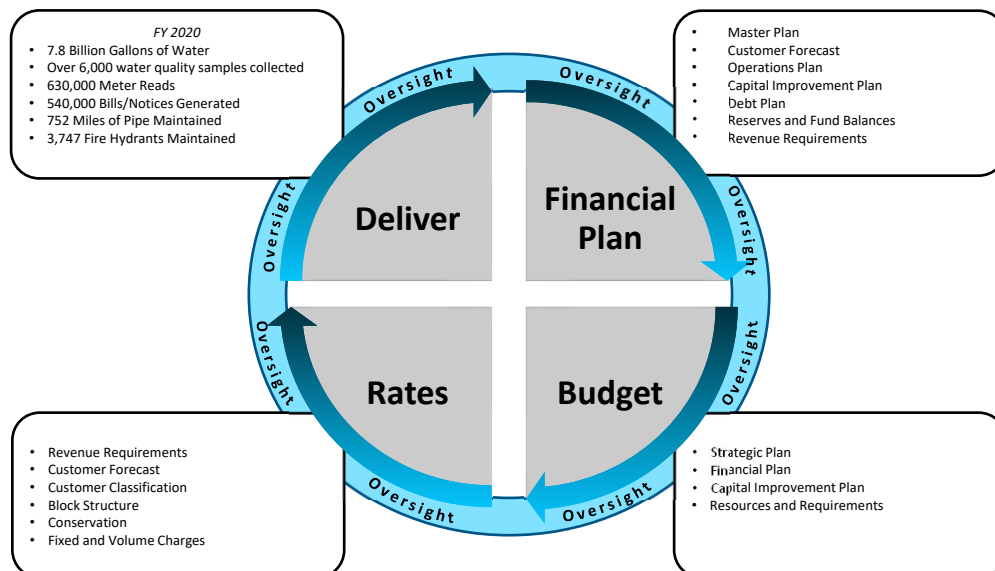
2

Financial Management Documents

1. Financial Management Policies. Framework for managing the District's finances.
2. Financial Plan. Long-term plan that balances spending, revenue, reserves and borrowings.
3. Biennial budget. Two-year spending plan for the District.
4. Comprehensive Annual Financial Report. Official report that presents the District's financial statements following GFOA standards.
5. Indirect Cost Allocation Plan (ICAP). Documentation of how TVWD's overhead costs should be shared with partners and capitalized with projects.
6. Business Case Evaluation Guidelines. Authoritative publication that provides standards for conducting business case evaluations.
7. Agency Agreement Letters. Provides partners cost estimates for their budgets consistent with IGAs.

3

District Financial Management Process



4

Financial Management Policies



FINANCIAL MANAGEMENT POLICIES

Tualatin Valley Water District

Adopted by Resolution 08-19 on March 20, 2019

Purpose

- Demonstrate the District's commitment to strong financial management
- Document the financial policies to be followed by the District
- Provide basis for practices that affect our partners
- Embrace GFOA best practices

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Financial Plan



ISSUED MAY 2021

1850 SW 172nd Ave., Beaverton, OR 97003
Phone: (503) 645-3000
www.TVWD.org

Purpose

- Ensures strategic focus
- Provides accountability over time
- Provides stakeholders needed information
- Demonstrates commitment to sound financial management
- Communicates details to external parties

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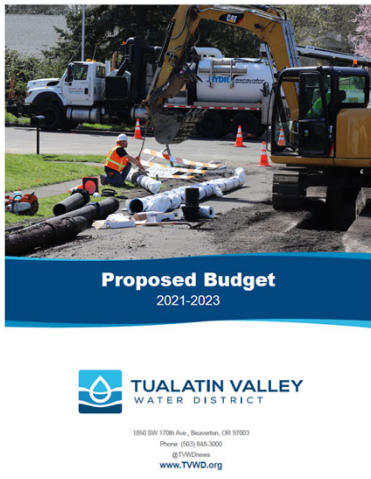
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6

Biennial Budget

Purpose

- Provides 2-year spending plan
- Establishes legal spending limits for the District
- Ensures accountability through audit process
- Follows Oregon budget law and GFOA best practices



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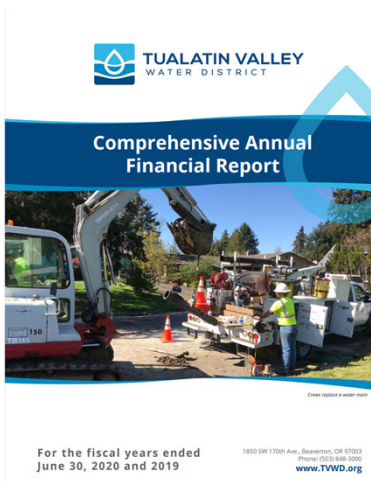
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7

Comprehensive Annual Financial Report

Purpose

- Presents the District's audited financial statements
- Official record of various District statistics
- Provides accountability through independent audit
- Follows Oregon audit law and GFOA best practices
- Source of historical information for external parties



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Indirect Cost Allocation Plan (ICAP)



INDIRECT COST ALLOCATION
PLAN FOR FY2021
Tualatin Valley Water District

Purpose

- Provides basis for cost recovery from partners
- Substantiates overhead charges for capitalization of projects
- Follows federal guidelines for the allocation of indirect costs
- Follows District's Financial Management Policies

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Business Case Evaluation Guidelines

BUSINESS CASE EVALUATION GUIDELINES

TRANSPARENCY IN BUSINESS
DECISIONS

This document provides guidelines for conducting Business Case Evaluation
at Tualatin Valley Water District

Effective 7/1/2020 and beyond

Purpose

- Provides framework for conducting BCEs at TVWD
- Establishes discount rates, assumed inflation rates and other factors necessary to conduct a BCE
- Provides basis for District's Least-Cost Analysis Policy
- Describes industry-standard approaches for BCEs
- Follows District's Financial Management Policies

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Other Important Finance Documents

Agency Agreement Letters

- Provides partners with the cost of providing services
- Examples:
 - Beaverton Meter Reading
 - Beaverton Wheeling Rates
 - Beaverton Joint Billing
 - CWS Joint Billing
 - South Hillsboro Wheeling
 - West Slope Water District Fireline Service

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Possible Future Additions

Workload Dependent

- SDC Report. Provide information supporting the District's SDCs.
- Cost-of-Service Analysis. Provide cost estimates for providing District services. Extend and document the wheeling rate analysis to provide transparent cost estimates to neighboring agencies.

12

WWSP Baseline 6.1

Financial Strategy

- Delay portions of PLW_2.0
- Delay 15 MG of terminal storage
- Integrated into Financial Plan

WIFIA Update

- Supported by WIFIA Program

13

WIFIA Program Approves WWSS Project Deferrals

RE: Follow-Up from Call on WWSP Baseline Budget and Program Element Timing

Escobar, Alejandro <escobar.alejandro@epa.gov>
To: Paul Matthews
Cc: lee.lindsey; suzanne.linneen@hillsboro-oregon.gov

Public Record

You forwarded this message on 4/1/2021 5:35 PM.

LinkedIn

CAUTION: This email originated from outside of the organization. Do

Hi Paul,

Thanks for your email and very clear explanation of the situation. I have reviewed the changes are consistent with the Loan Agreements between EPA and TVWD and big infrastructure undertakings. The proposed baseline budget does not change with the proposed reductions. PLW_2.0, the proposed

Thanks again for being proactive borrower.

Alejandro

Alejandro Escobar
Acting Chief, Technical Support Branch
WIFIA Program
Office of Wastewater Management
U.S. Environmental Protection Agency
(O) 202-564-9047
(M) 202-236-4876
escobar.alejandro@epa.gov
Pronouns: he/him/his



...The changes are consistent with the Loan Agreements between EPA and TVWD and the City of Hillsboro and constitute a logical evolution of a complicated project typical of what we see in big infrastructure undertakings. The proposed baseline budget does not change the definition of the Project as presented in the Loan Agreements...

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Questions and Answers

Finance Department Report

What's All This Writing About
Regular Board Meeting

Tualatin Valley Water District

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2021-23 Financial Plan

Board Regular Meeting
May 19, 2021

Tualatin Valley Water District

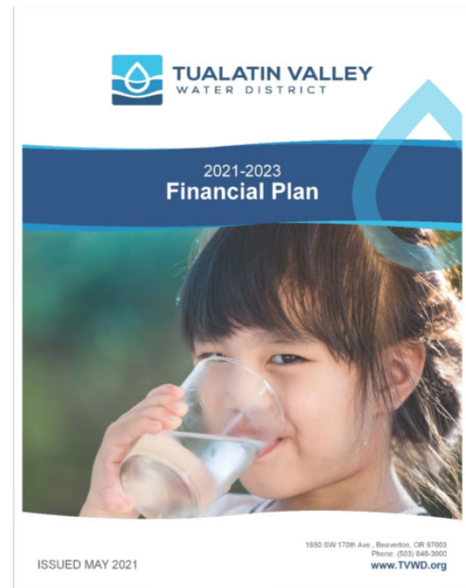
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Overview

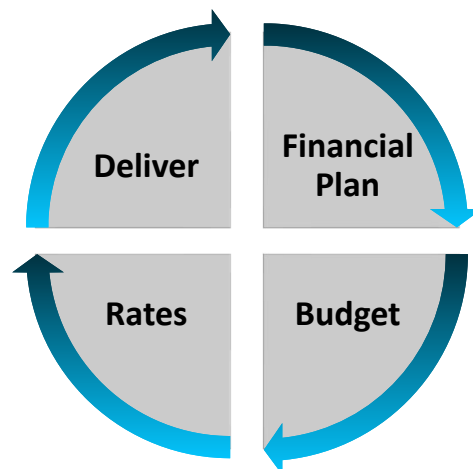
Tonight's Discussion

- Financial Management Process
- Purpose and intended audience of *2021-23 Financial Plan*
- Overview of the *2021-23 Financial Plan* document
- Proposed Financial Plan
 - Key Assumptions
 - Key Results
- Next Steps



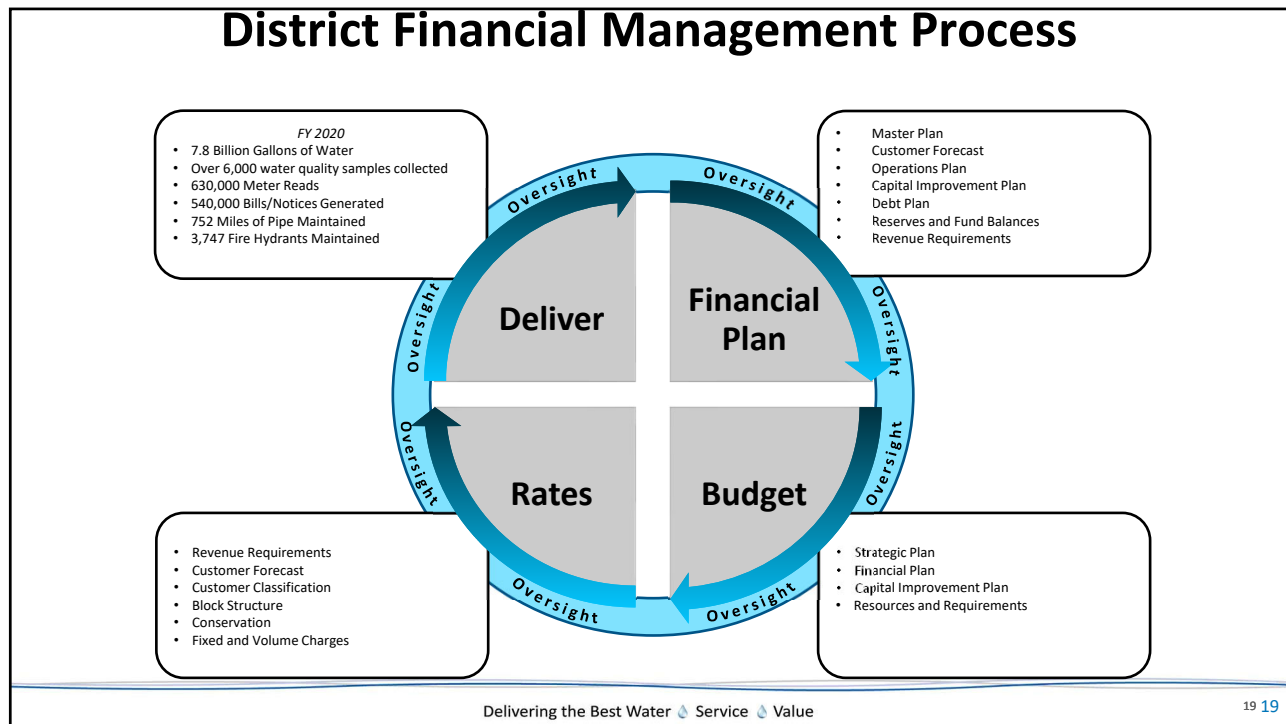
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District Financial Management Process



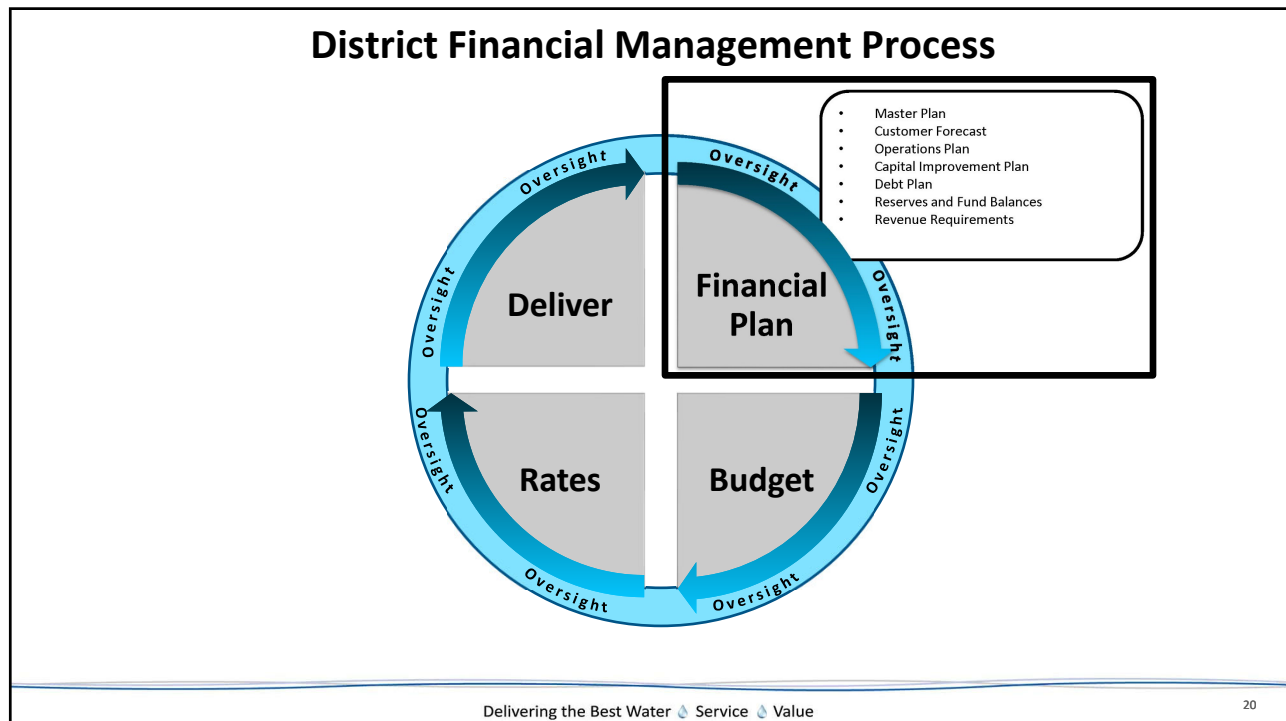
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District Financial Management Process



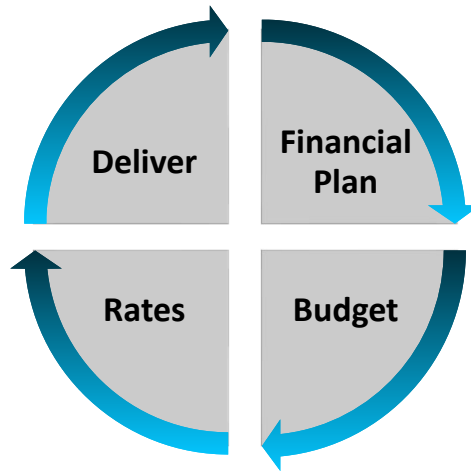
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District Financial Management Process



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District Financial Management Process



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Purpose and Audience

Purpose

- Ensures strategic focus
- Provides accountability over time
- Provides stakeholders needed information
- Demonstrates commitment to sound financial management

Audience

- Internal stakeholders
- Finance community
- Rating agencies
- WIFIA program team

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Why Approval

Financial Management Policies

- Approval requested as required by *Financial Management Policies*
- Approval rather than adoption since the Financial Plan provides guidance to management rather than sets firm policies
- Rate process is a separate Board-directed process

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Overview of the Document

Main Body

1. Introduction
2. Financial Management Objectives and Policies
3. Water Sales Projections
4. Capital Improvements Plan
5. Capital Financing Plan
6. Financial Forecast
7. Funds and Reserves

Appendices

- A. Proposed Financial Plan Assumptions for the Financial Management Policies
- B. Capital Improvements Plan Summary
- C. Bond Ordinance: Ordinance 01-19
- D. Master Revenue Bond Declaration
- E. 1st Supplement to Master Revenue Bond Declaration
- F. Parity Certificate
- G. PERS Valuation Report
- H. Forecast Model Summary Results
- I. Map of TVWD

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Expenditure Plan

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Totals
O&M Costs [1]	\$27.9	\$28.7	\$32.2	\$33.8	\$36.2	\$39.7	\$41.5	\$43.3	\$45.5	\$47.8	\$376.6
Purchased Water [2]	11.3	13.1	13.7	14.1	14.7	9.9	10.4	10.9	11.4	11.9	121.4
Capital Outlay	139.9	244.2	178.4	86.8	58.0	33.6	34.2	34.5	60.8	53.4	923.8
Building Reserves	-	2.6	8.0	6.7	-	24.5	18.5	12.6	-	-	73.0
Debt Service	-	-	-	0.7	1.4	2.2	9.9	17.6	17.6	17.6	66.8
Totals	\$179.2	\$288.7	\$232.3	\$142.1	\$110.3	\$109.8	\$114.3	\$118.9	\$135.3	\$130.7	\$1561.6

[1] O&M costs shown include debt issuance costs.

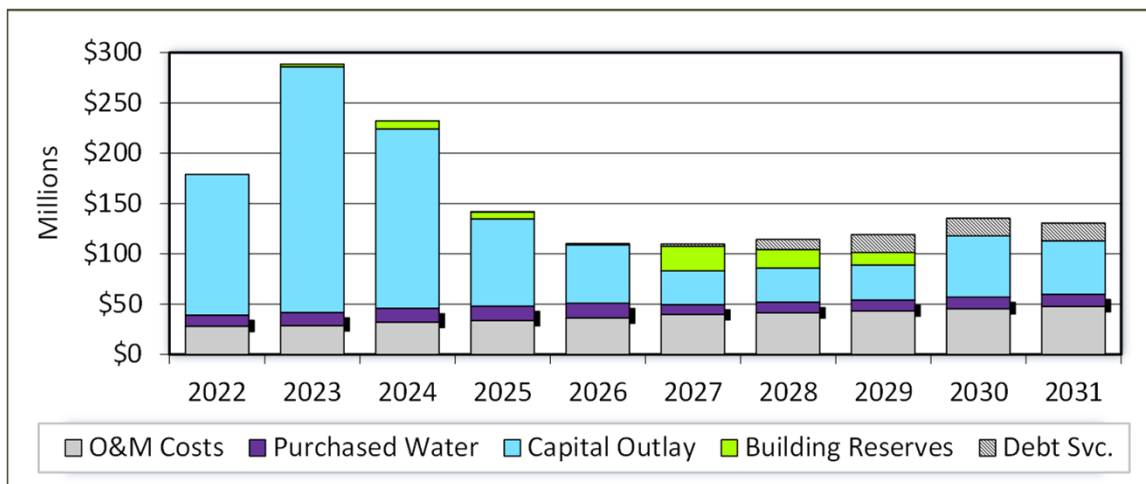
[2] Consistent with past reporting, Purchased Water includes pumping power costs.

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Expenditure Plan

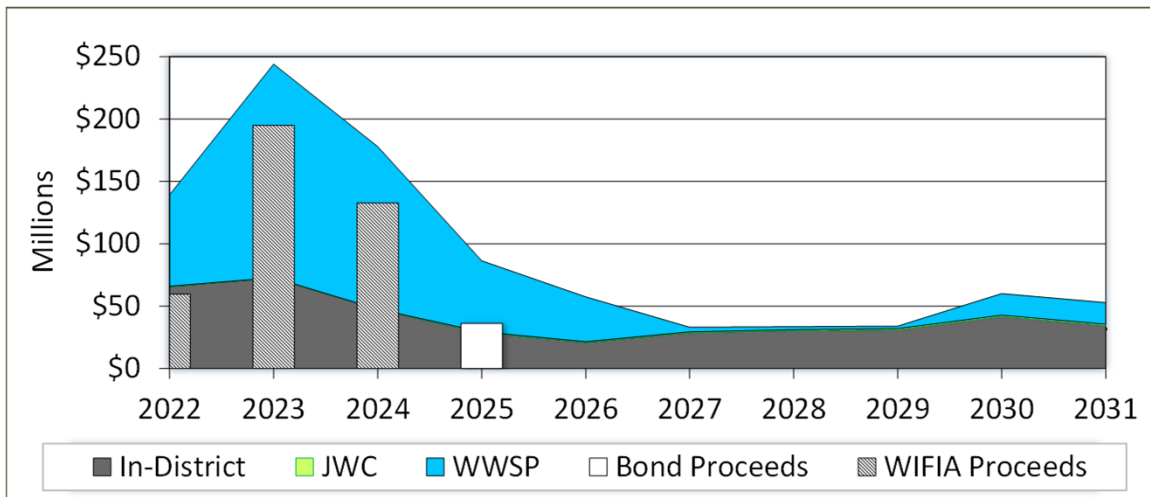


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Capital Funding Plan



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Key Debt Assumptions

- Debt funding of \$453.7 million for capital expenditures through 2031
- Issuance costs:
 - Revenue bonds: 0.75% of the par amount of the bond issue in FY2025
 - WIFIA Loan: \$500 thousand
- Term of Borrowing:
 - Revenue bonds: 30 years
 - WIFIA: Maximum allowed (35 years after substantial completion)
- Debt service reserve:
 - Revenue bonds: MADS¹ per issue
 - WIFIA: None
- Debt Service Coverage Ratio:
 - 2.0x including SDCs in gross revenue
 - 1.5x excluding SDCs in gross revenue
- Additional Bonds Test:
 - 1.3x including SDCs
 - 1.15x excluding SDCs
- Net Leverage Ratio:
 - 8.0x maximum, not-to-exceed ratio
 - Financial Plan shall not exceed 7.0x for more than 3 consecutive years
- Minimum Cash Balances: 250 days of forecast O&M costs

¹ Revenue bond debt service reserve projected as minimum of a three-part test per issuance. Maximum annual debt service (MADS) is the projected minimum of the three parts for all future issues.

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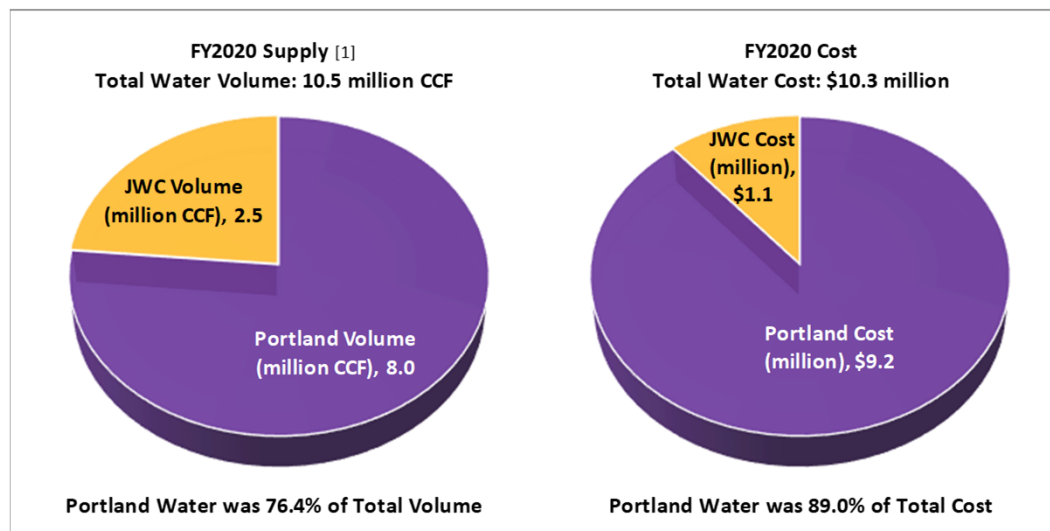
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Interest Rate Assumptions

Description	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Borrowing Rates									
Revenue Bonds	3.50%	3.50%	3.50%	3.50%	3.50%	4.00%	4.50%	5.00%	5.50%
WIFIA	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%
Earnings Rates									
Earnings Rates	1.40%	0.60%	0.45%	0.50%	0.50%	0.55%	0.60%	0.65%	0.70%

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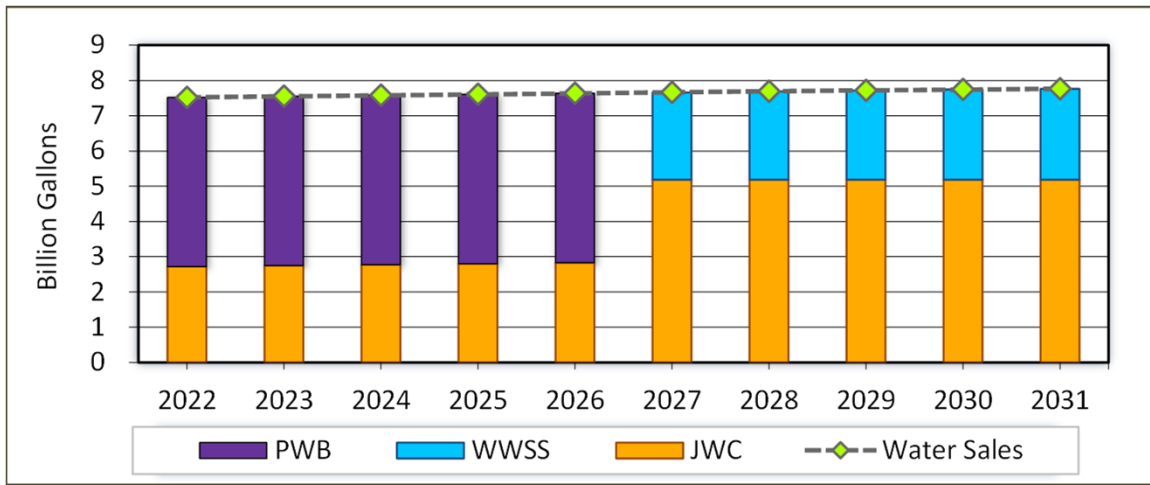
Purchase Water



[1] CCF = one hundred cubic feet or 748 gallons.

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Water Supply and Demands

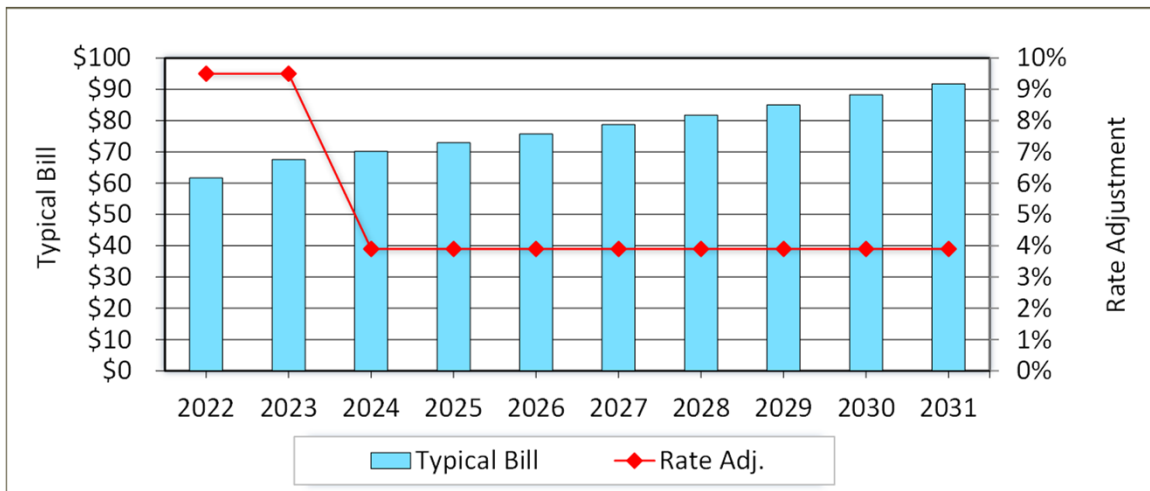


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Customer Impacts

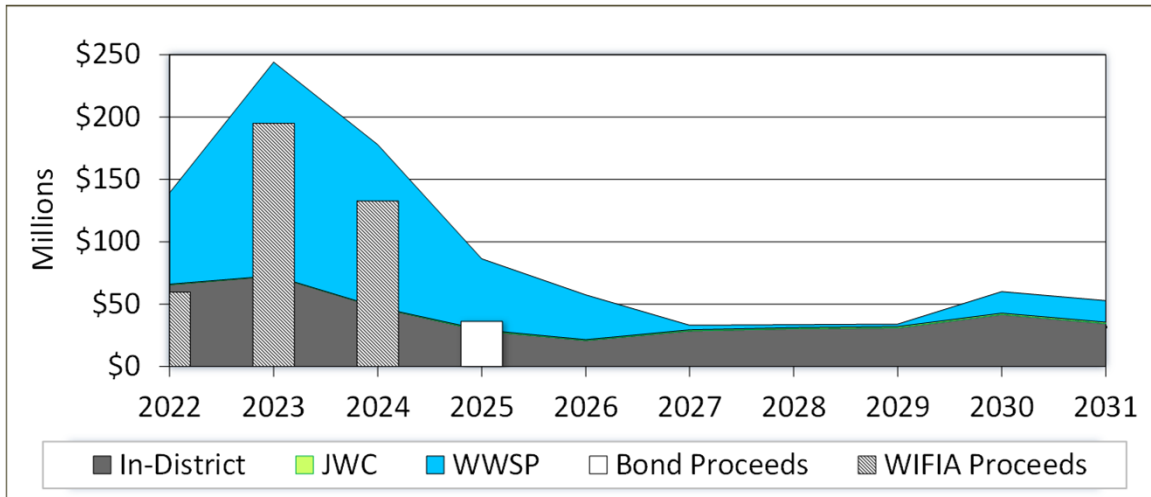


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Leveling Rates Over Time

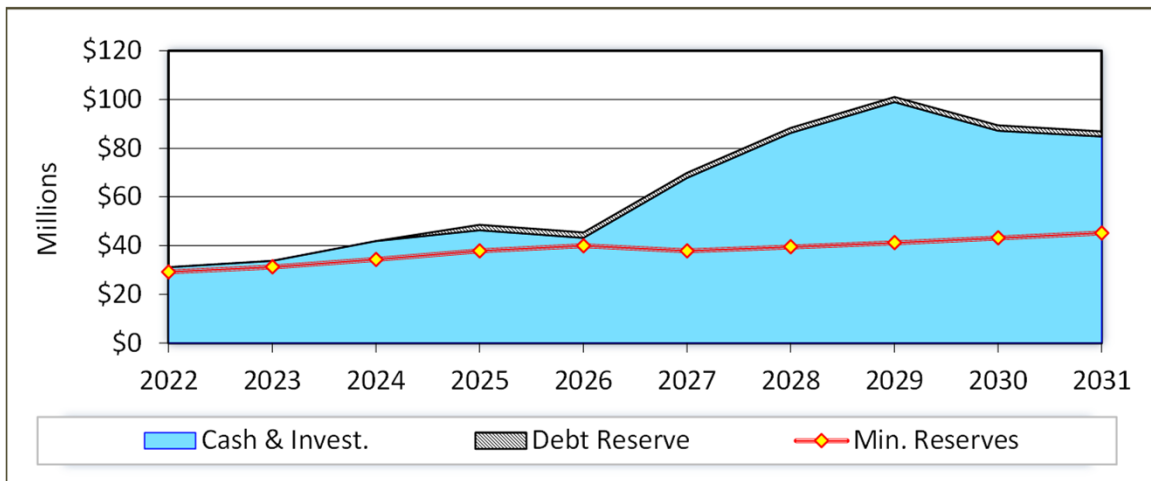


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Cash and Reserve Balances

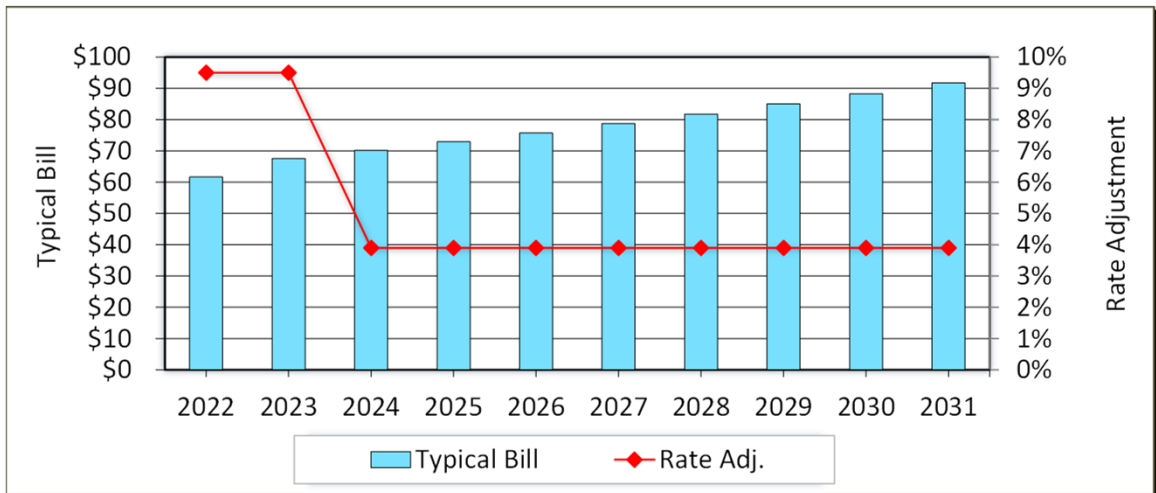


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Customer Impacts



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Future Plans for Financial Plan

Evolution of Financial Plan Document

- Operations Plan
- Capital Improvements Plan
- Integrate additional history

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TVWD Financial Plan Page 1 May 2019

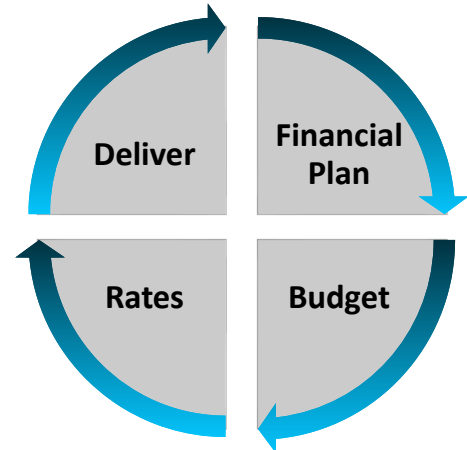
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Next Steps

- Update Appendix A of *Financial Management Policies*
- Conduct rate-setting process
- Training on financial disclosure issues
- Issue future revenue bonds



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Questions and Answers

2021-23 Financial Plan

Board Regular Meeting

May 15, 2019

Tualatin Valley Water District

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Staff Recommendation

Staff recommends the Board adopt
Resolution 04-21, approving the
District's 2021-23 Financial Plan

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Update on Financial Performance

Paul L. Matthews
Chief Financial Officer

May 19, 2021

Tualatin Valley Water District

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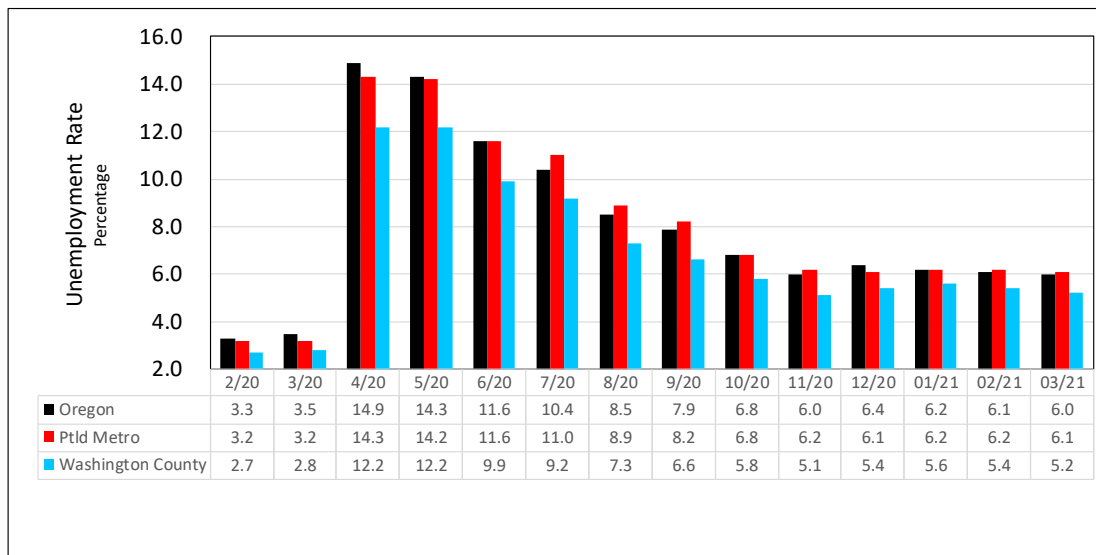
Overview of Tonight's Presentation

Updates on:

- Update on unemployment rates
- TVWD's Financial Performance
 - Revenue
 - Collections
 - Expenses

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Improvements in Labor Market Slows



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Monitoring TVWD's Financial Performance



Revenue

- Impact on future water sales



Collections

- Capacity for customers to pay their water bills



Expenses

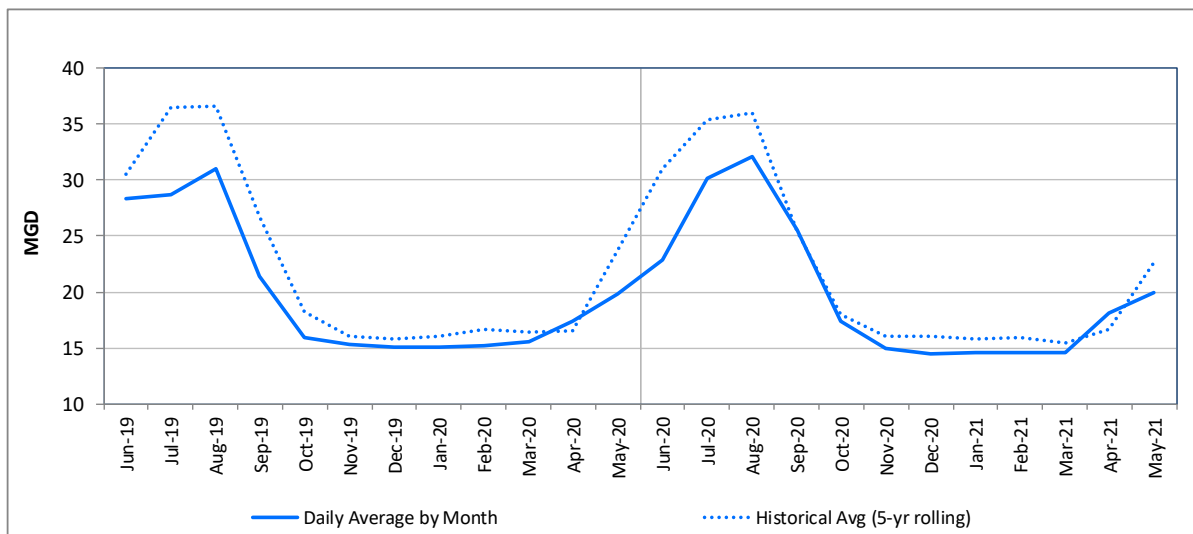
- Effect on budget to respond to COVID-19

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Water Deliveries Remain Below 5-Year Average



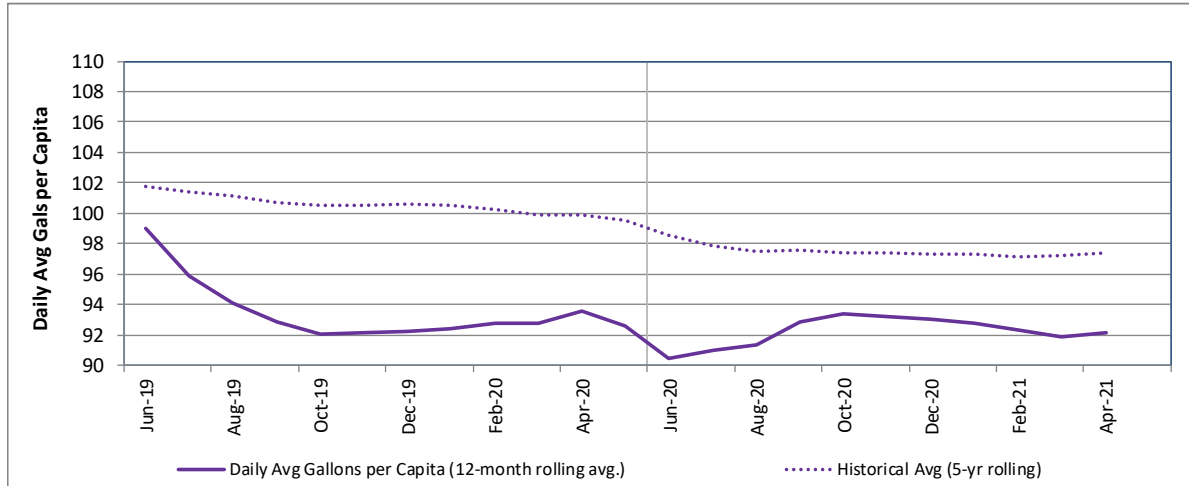
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Customer Demands Remain Soft

Comparison of Gallons Per Capita Per Day

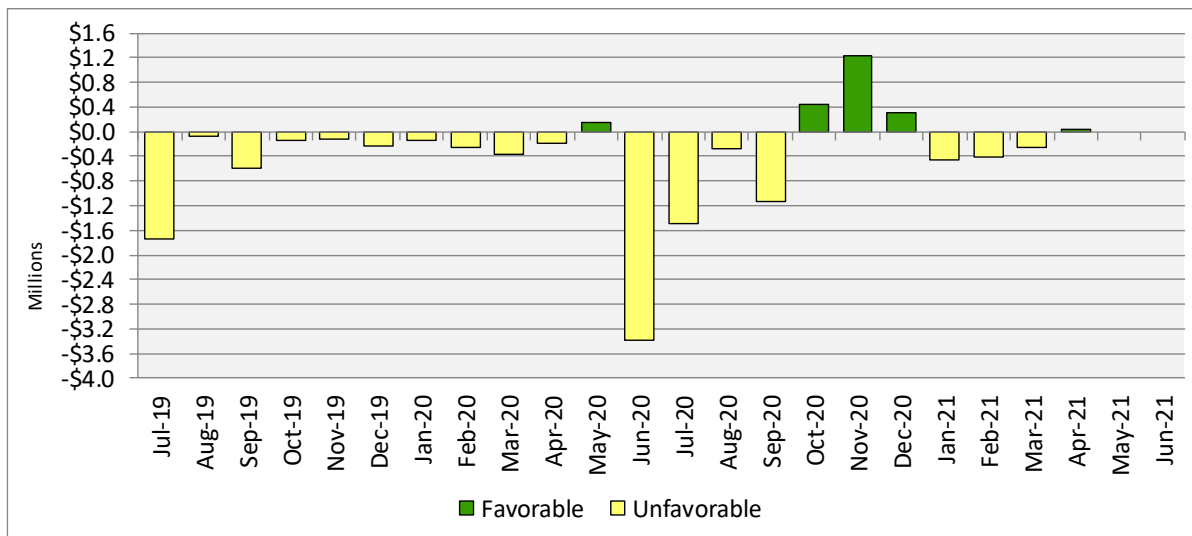


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Small Favorable Variance in Water Sales

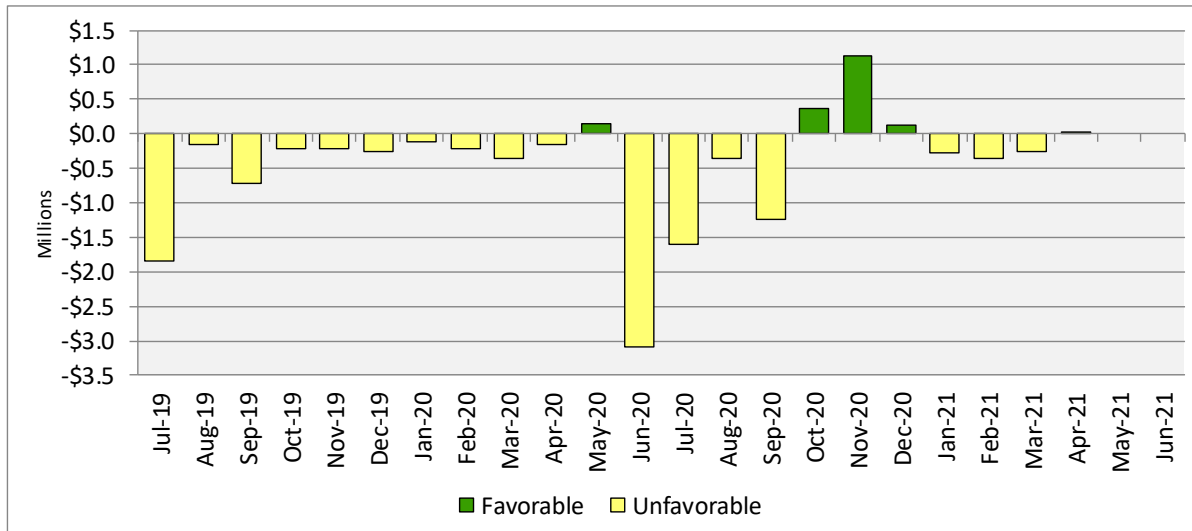


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Volume Water Sales Revenue Is Flat

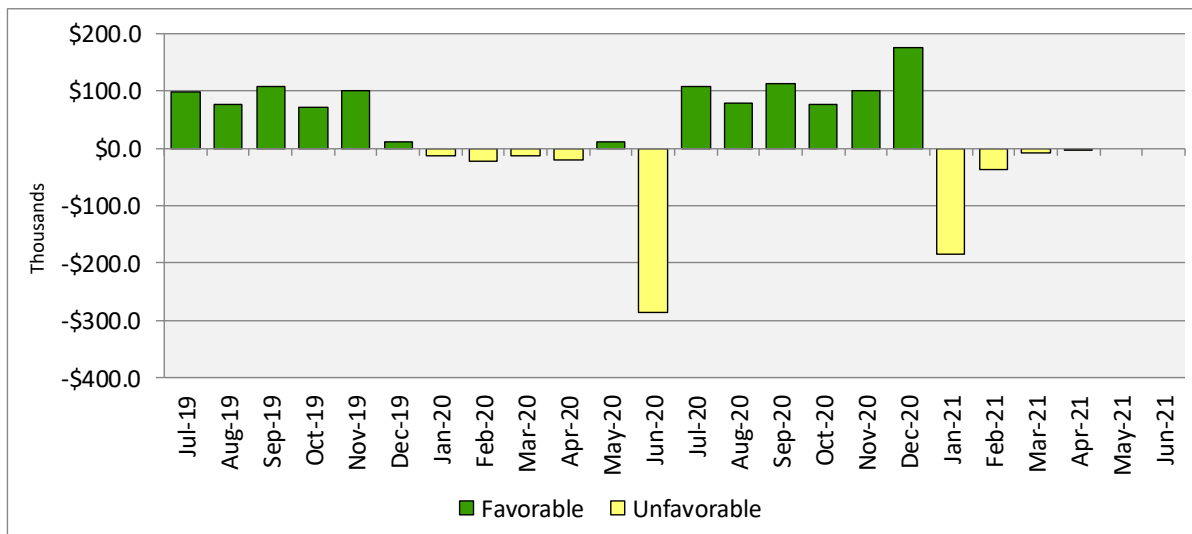


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Fixed Charge Revenue Lag to Flat

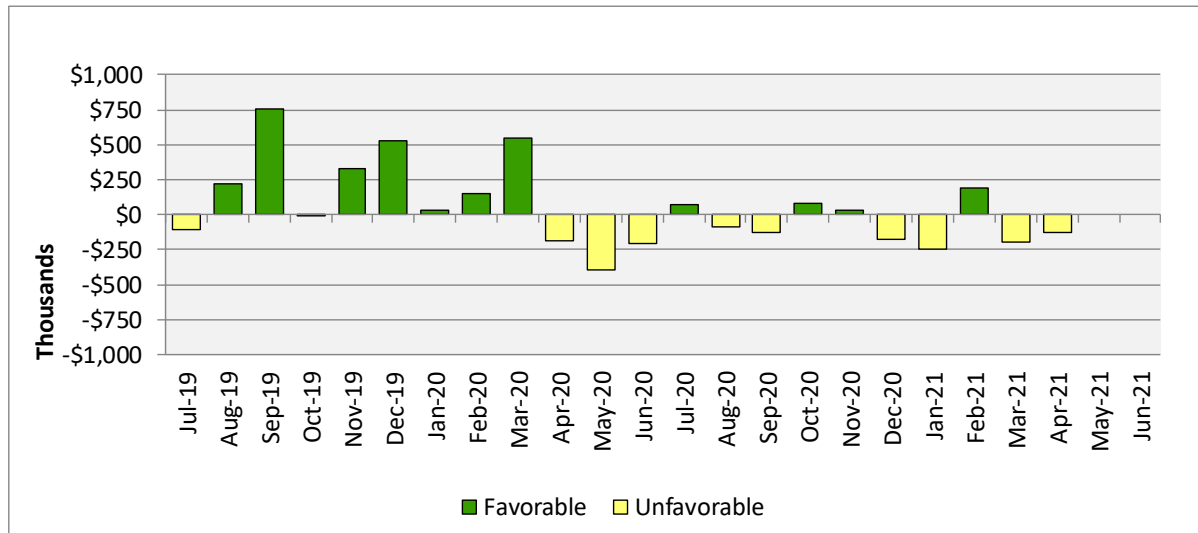


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System Development Charge Remain Weak



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Revenue Trends by Customer Class

Revenue

- Diminishing volatility
- Biennium performance remains uncertain
- Latest forecast suggests unfavorable variance of \$9 to \$11 million for biennium

Challenges

- COVID-19's impact on the economy
- Uneven variance in revenue by customer classes
- Bimonthly billing cycles
- Unbalanced billing cycles by month

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Metric to Assess Trends

Approach

- Volume-based revenue per dollar of fixed charges
- Reduces the impact of seasonal variability in revenue
- Addresses the challenges of unbalanced billing cycles
- Provides meaningful trend data over time

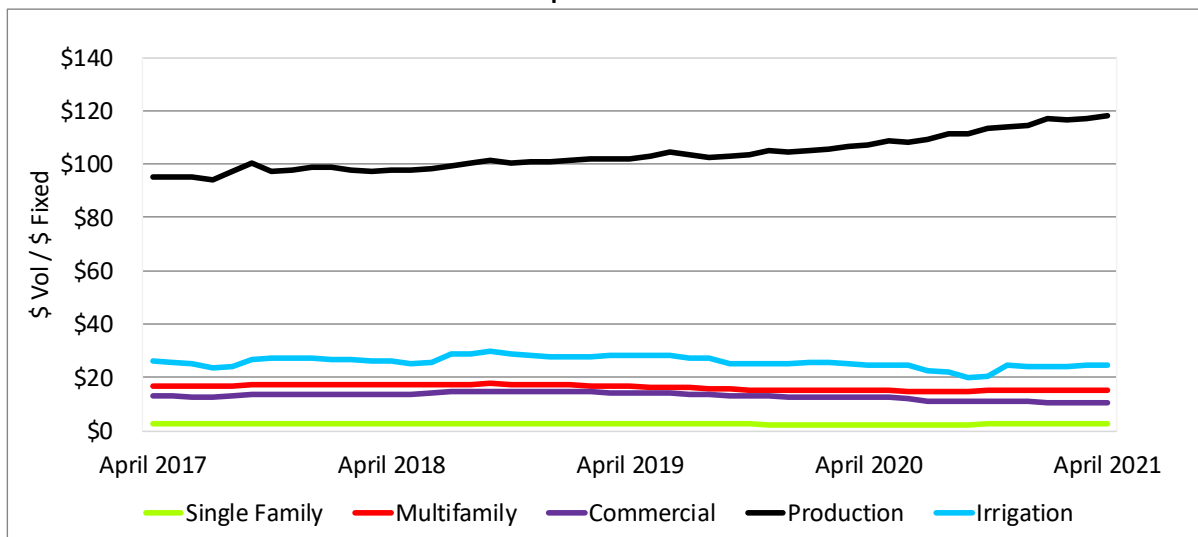
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Long-Term Trend

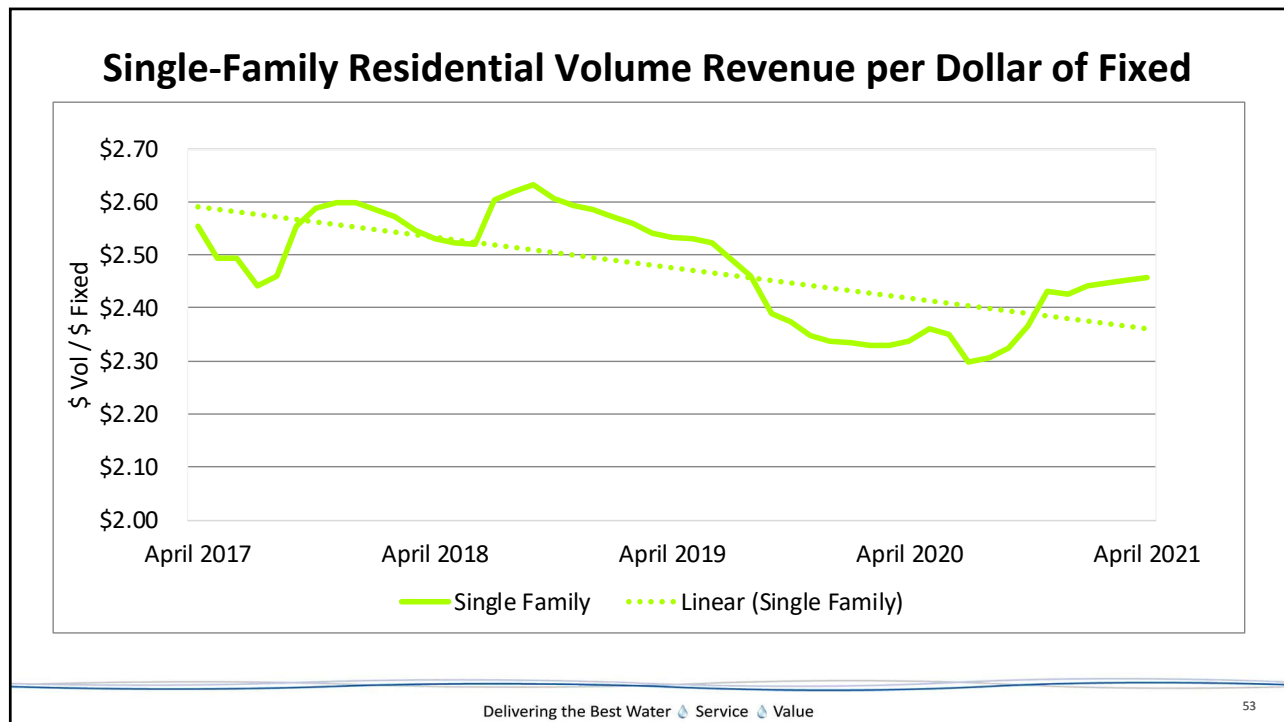
Volume Revenue per Dollar of Fixed Revenue



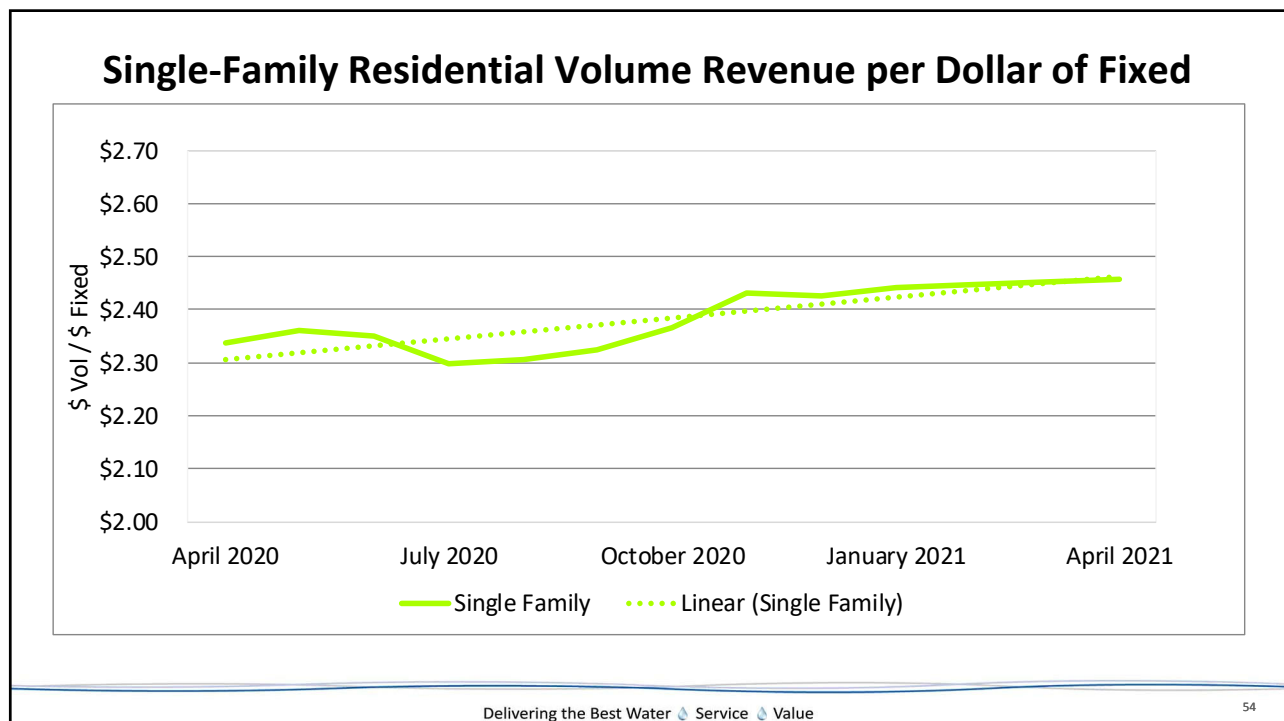
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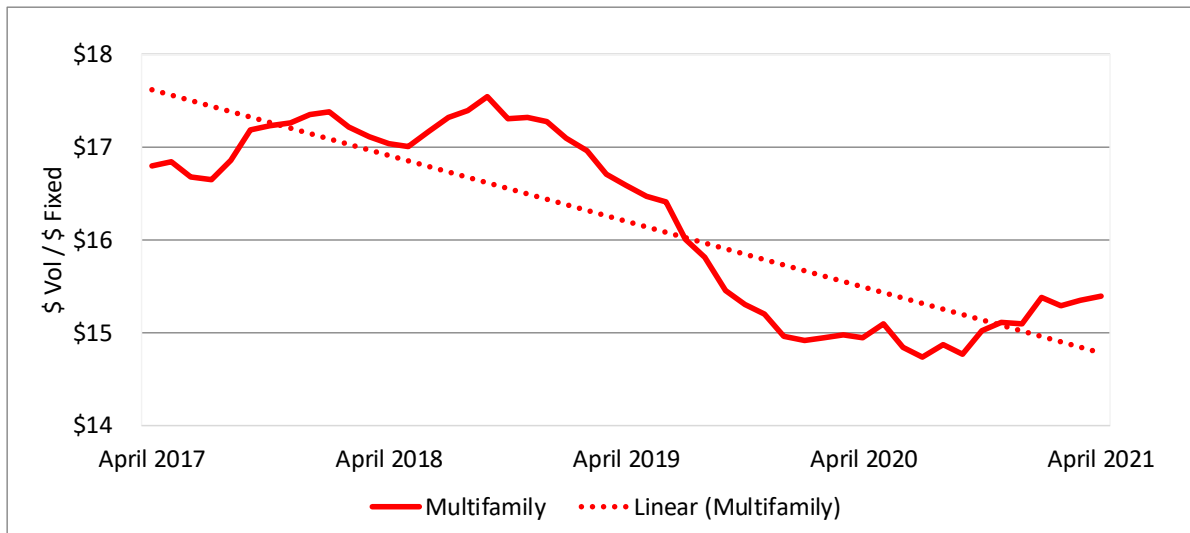


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Multifamily Residential Volume Revenue per Dollar of Fixed Charges

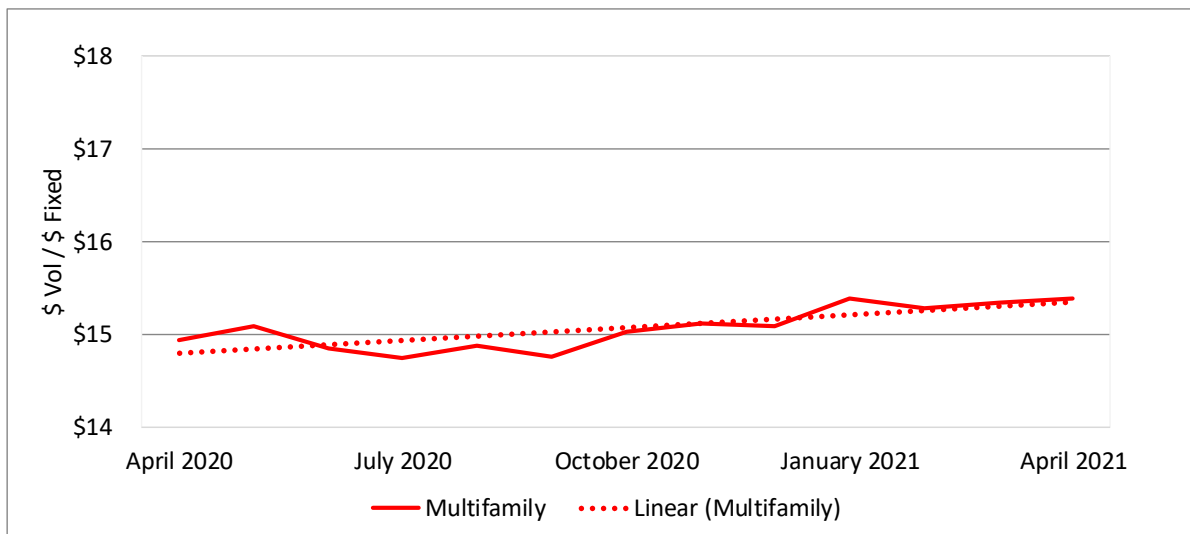


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Multifamily Residential Volume Revenue per Dollar of Fixed Charges

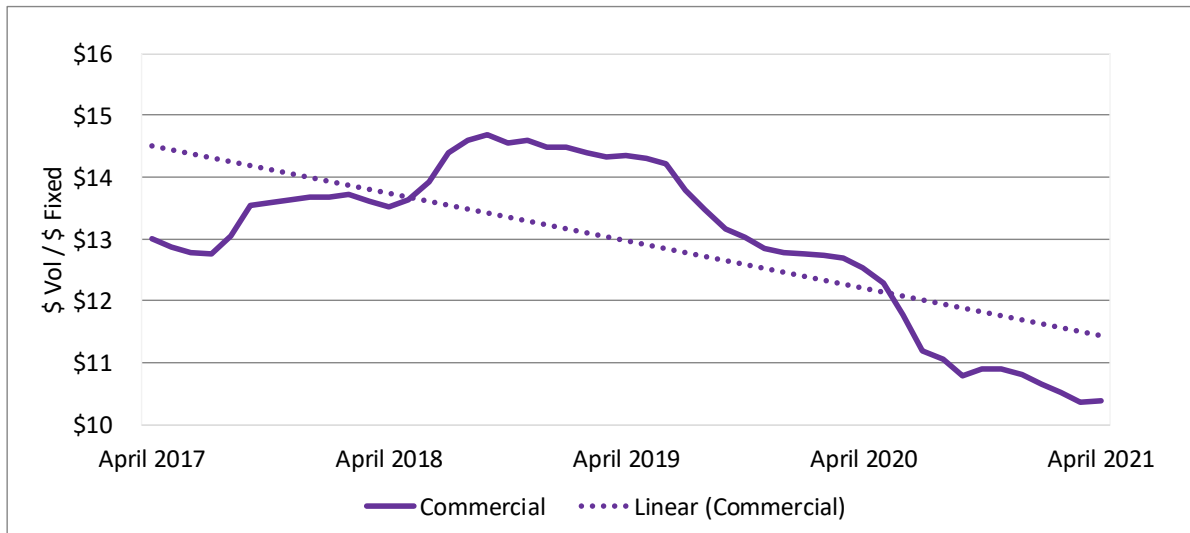


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Commercial Volume Revenue per Dollar of Fixed Charges

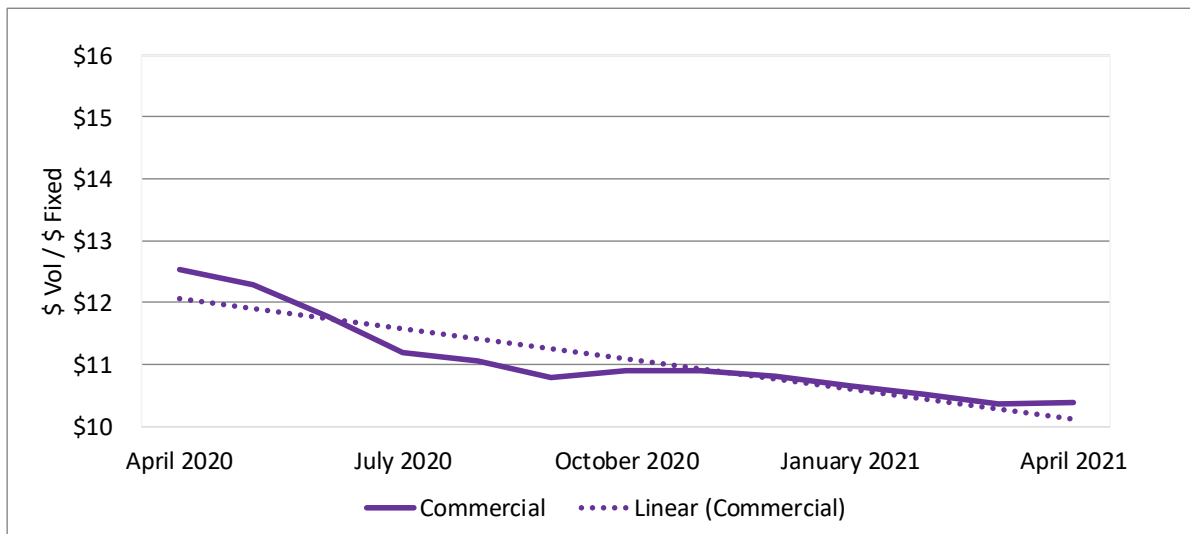


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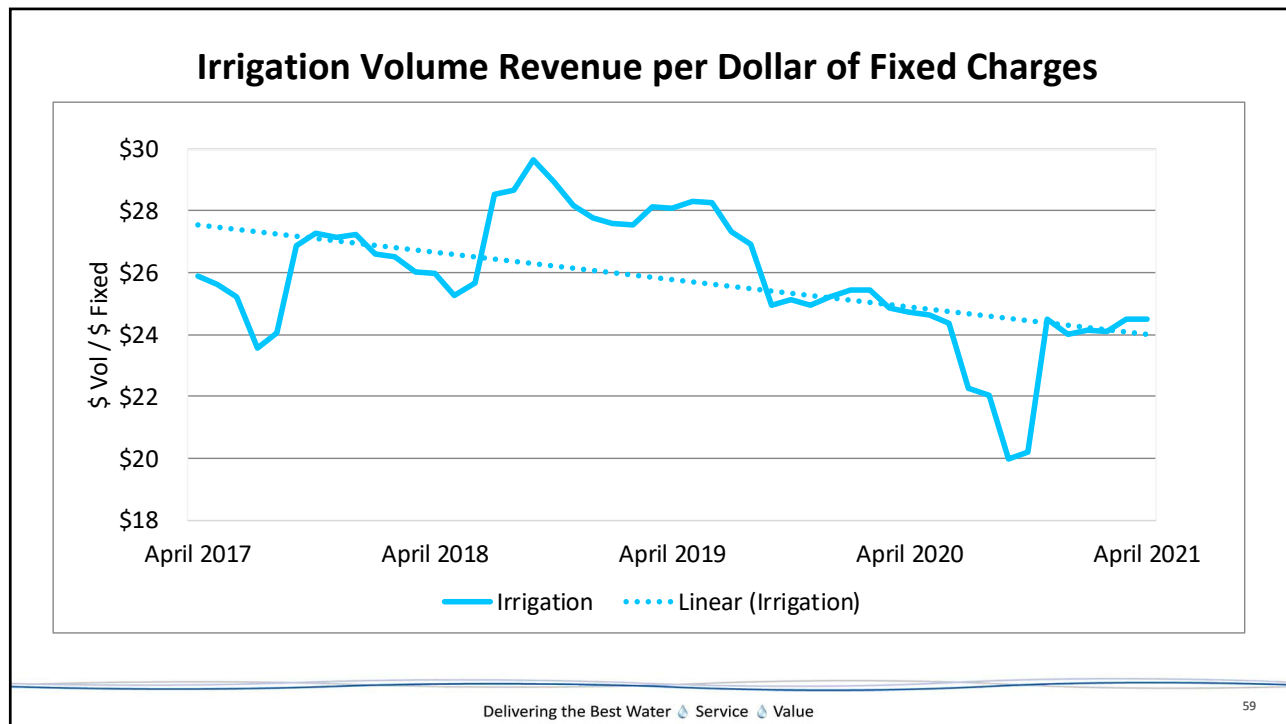
Commercial Volume Revenue per Dollar of Fixed Charges



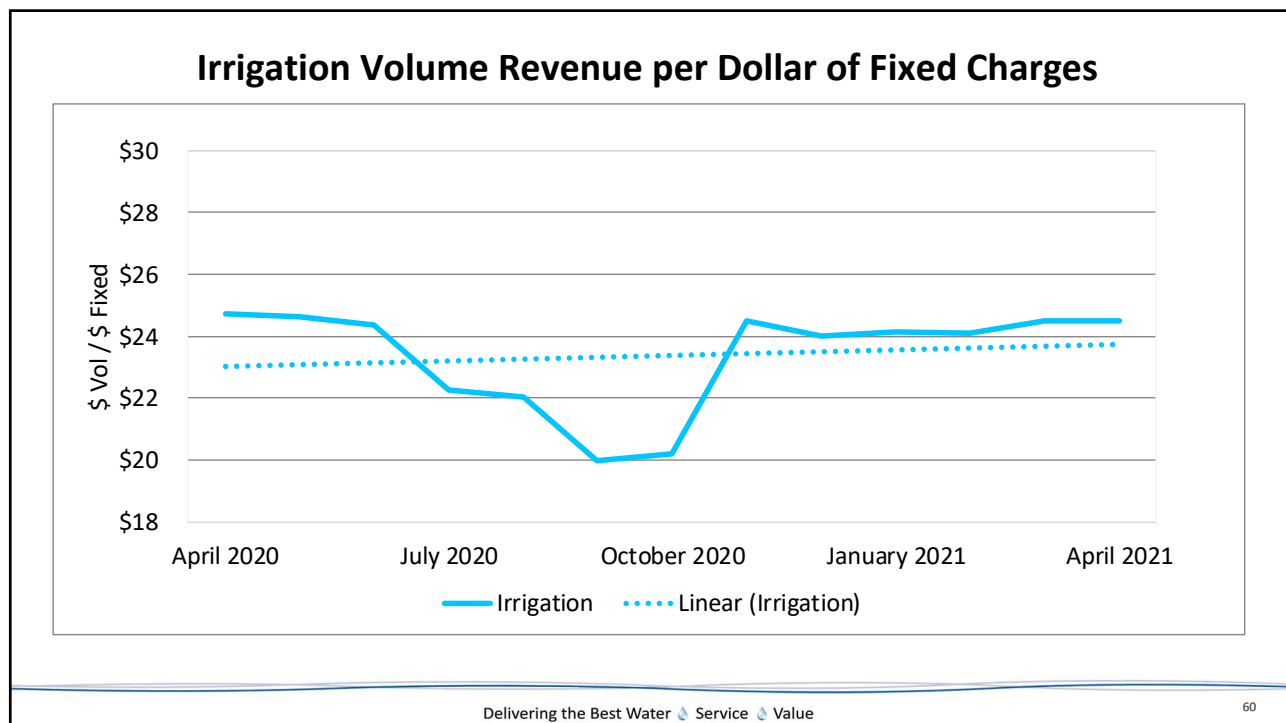
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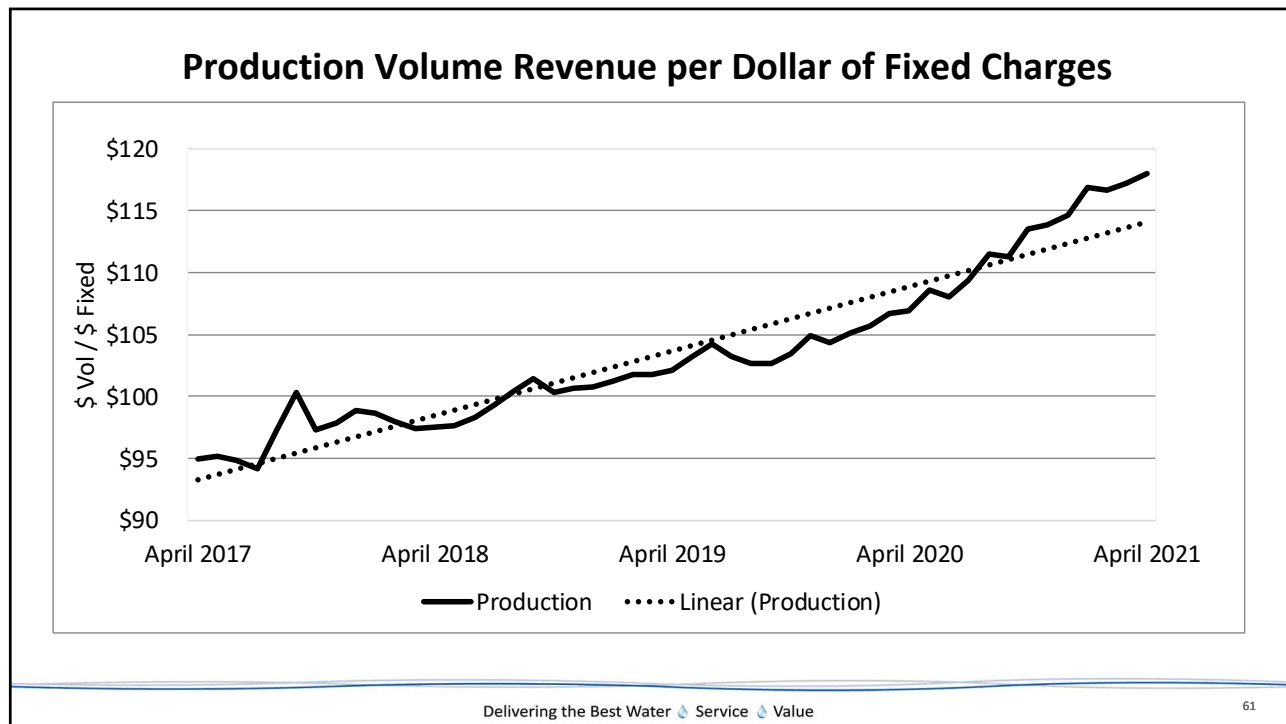
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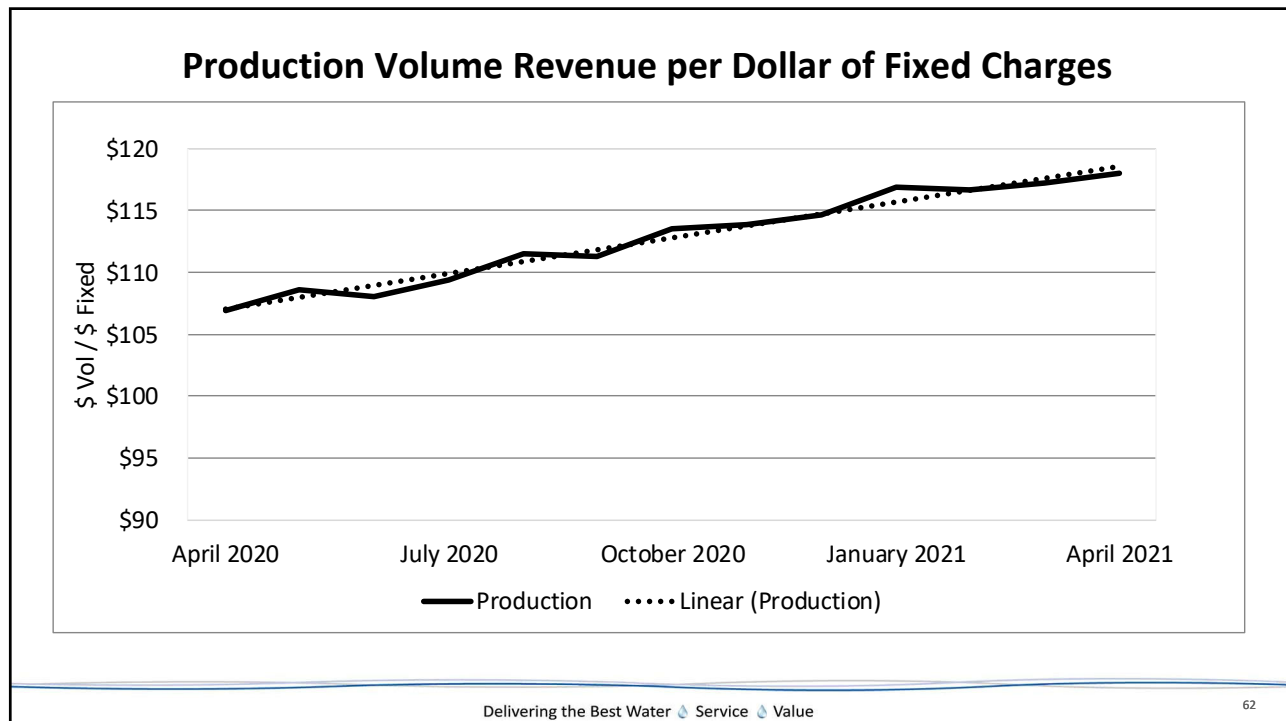
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What We've Learned This Month

Revenue for April

- Volatility in volume water sales is lower – expected for this time of year
- Commercial class remains down – future sales maybe affected by reopening of local economy
- Single-family residential sales seem to have stabilized at lower levels
- Multifamily residential sees slight improvement
- Production class remains strong

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Monitoring TVWD's Financial Performance



Revenue

- Impact on future water sales



Collections

- Capacity for customers to pay their water bills

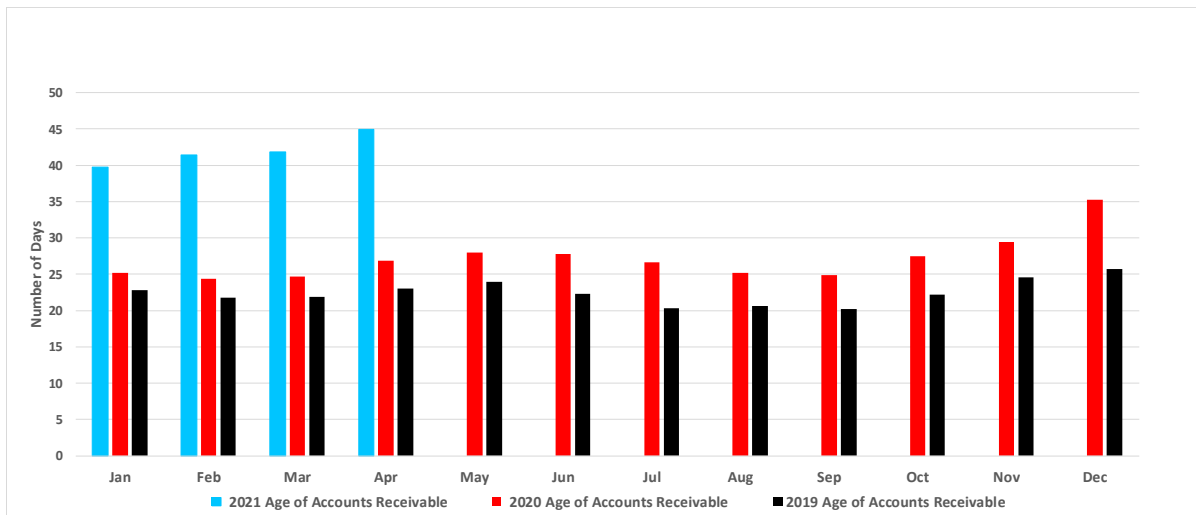


Expenses

- Effect on budget to respond to COVID-19

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Average Age of Accounts Receivable Continues to Increase

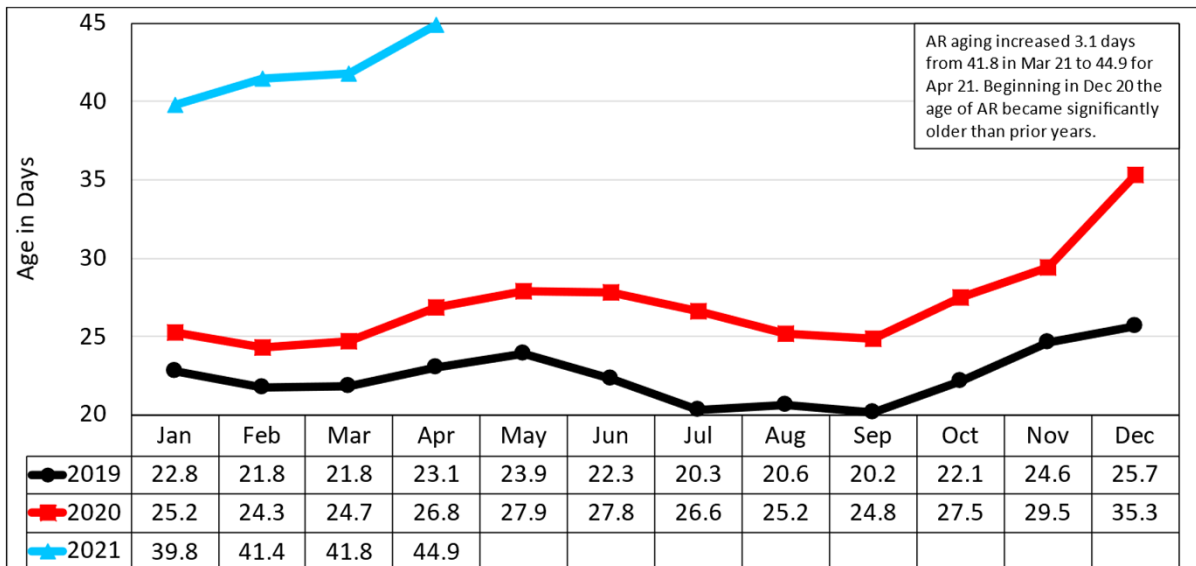


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Average Age of Accounts Receivable



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Days Sales Outstanding

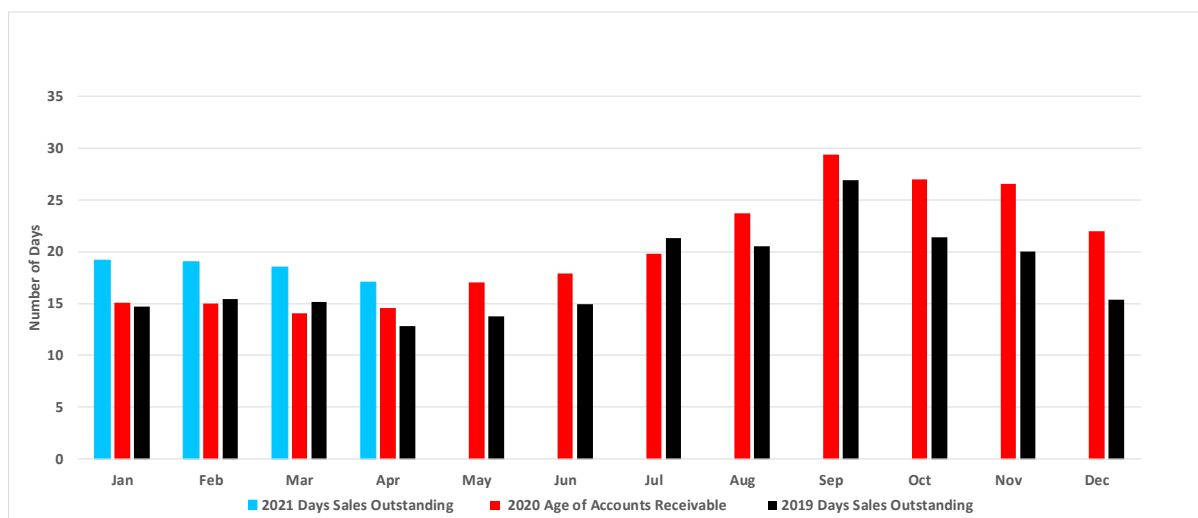
- Measures average number of days to collect on sales

$$\text{Days Sales Outstanding} = \frac{\text{Account Receivable}}{\text{Total Sales}} * 365$$

- Increases in Days Sales Outstanding could indicate collections challenges
- Proposed basis is years of sales to account for seasonality of water sales

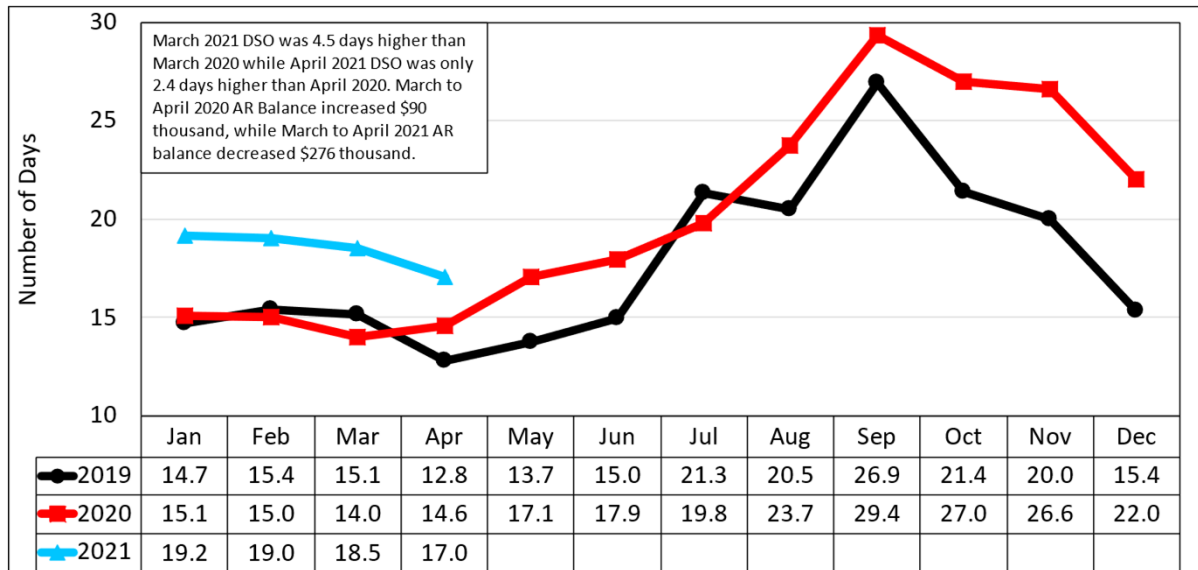
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Days Sales Outstanding



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Days Sales Outstanding

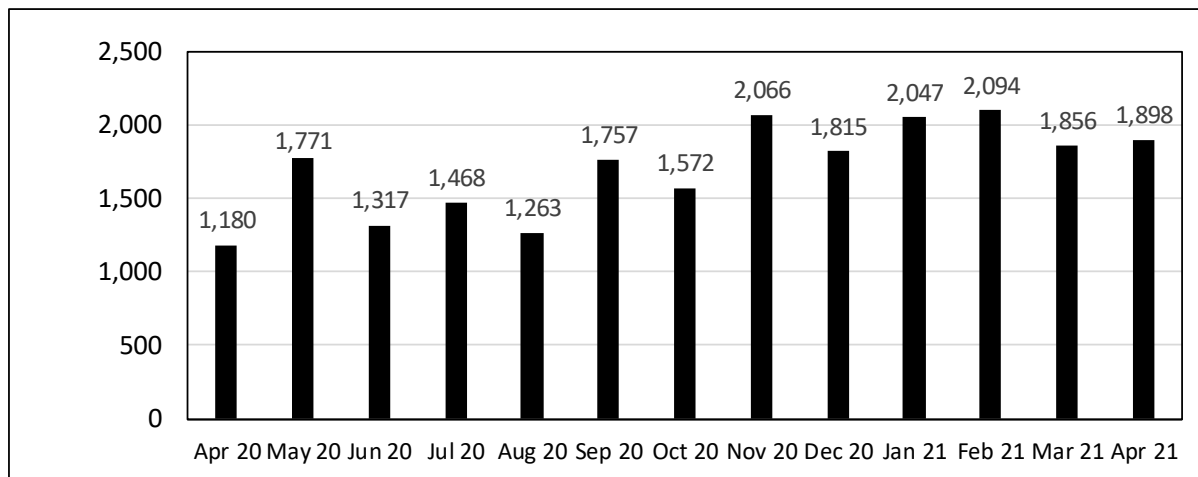


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Number of Customers in "Shutoff" Status

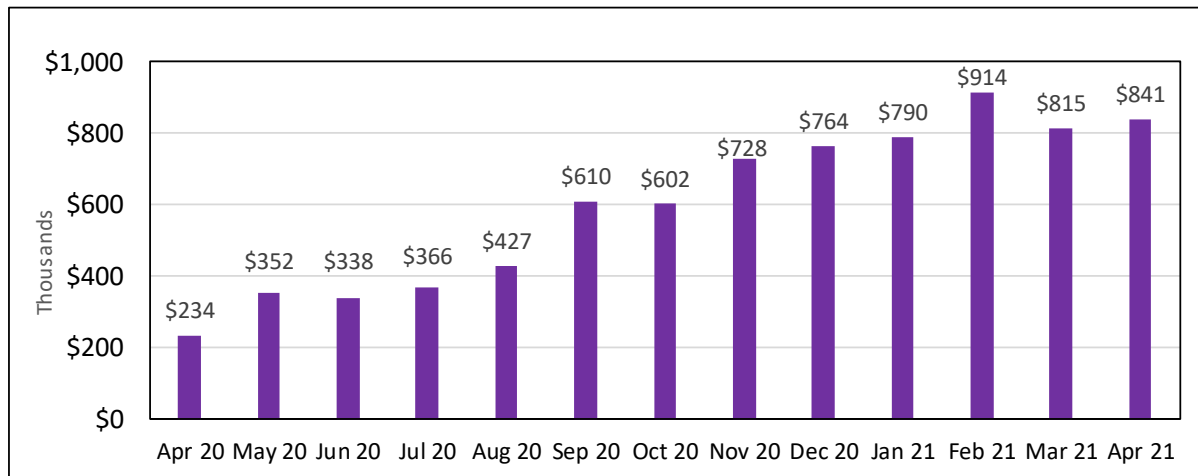


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Accounts Receivable of Customers in “Shutoff” Status

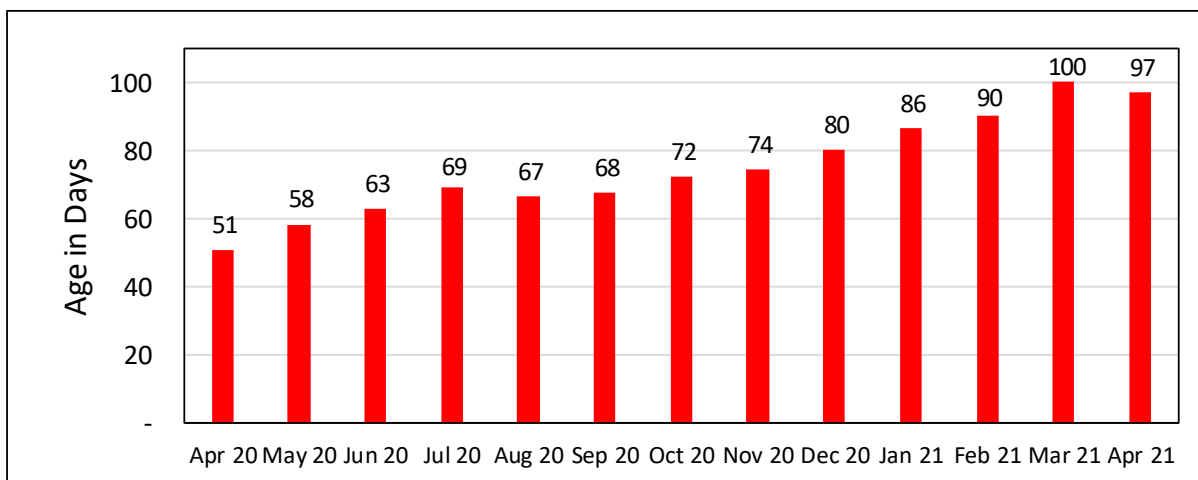


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Age of Accounts Receivable of Customers in “Shutoff” Status



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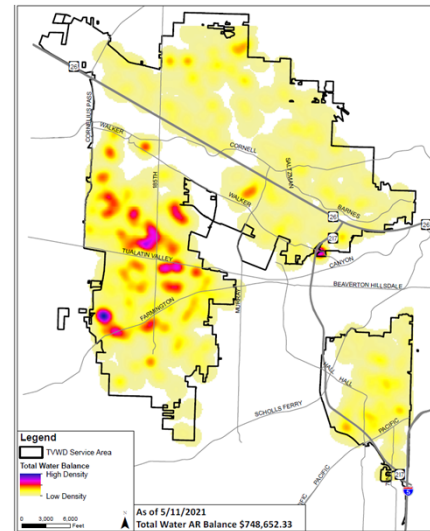
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Locations of Struggling Customers

Heat map

- Based on District's GIS
- Shows density of dollar balances of bills by location
- Areas of most concern are bluer in color



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Monitoring TVWD's Financial Performance



Revenue

- Impact on future water sales



Collections

- Capacity for customers to pay their water bills



Expenses

- Effect on budget to respond to COVID-19

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Reminder on Bad Debt Expense

Recent Adjustments

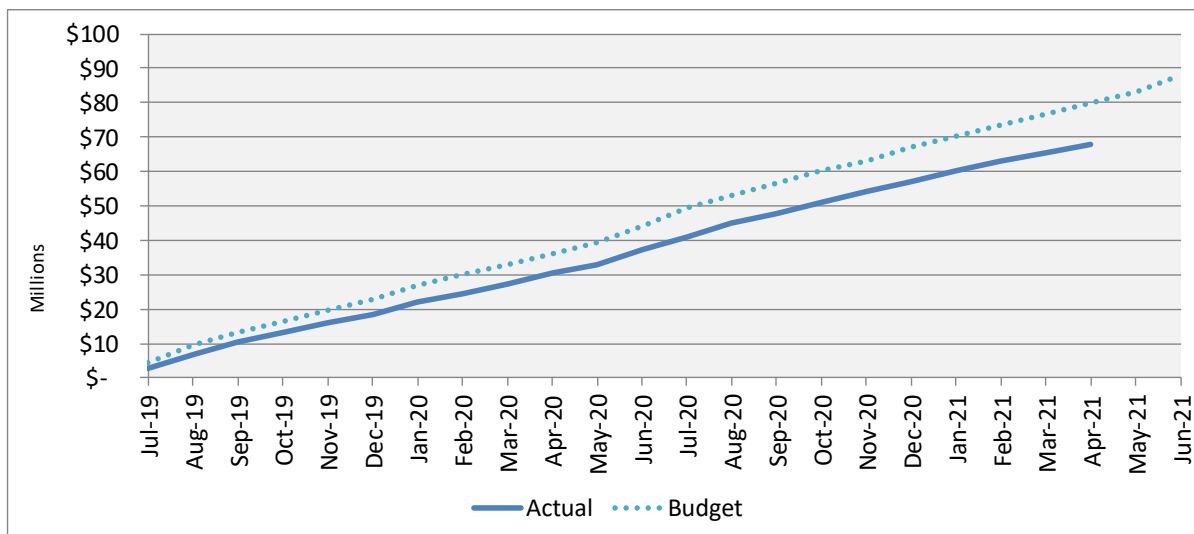
- Allowance for doubtful accounts increased from 0.11% of sales to 0.85% of sales (historical rate has been about 0.20%)
- One-time bad debt expense of about \$250 thousand to bring allowance to about \$500 thousand

Future Adjustments

- Staff will continue to monitor collections and allowance for doubtful accounts

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Cumulative Operating Expenditures



Note: These graphs are based on unaudited estimates.

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Closing Thoughts

Final Thoughts

- Revenue seems to have stabilized at lower levels
- Likely to close the biennium with \$9 to \$11 million in unfavorable variance
- Taking actions to manage allowance for doubtful accounts

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Questions and Comments

Update on Financial Performance

Paul L. Matthews
Chief Financial Officer

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Proposed Supplemental Funding for Willamette Intake Facilities Fund

Proposed Transfer of Appropriations

May 19, 2021
Board Regular Meeting



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Overview

1. Willamette Intake Facilities Fund (Fund 44)
2. TVWD's role as Managing Agency
3. Budgetary requirements
4. Options available to address budgetary requirements
5. Recommended action: Transfer of appropriations
6. Questions and answers

80

Fund to Address

Willamette Intake Facilities Fund

- Joint venture of TVWD and the cities of Beaverton, Hillsboro, Sherwood, Tigard and Wilsonville
- WIF Fund (44) accounts for the transactions of the WIF
- WIF Board adopts Annual Work Plan and Budget (AWPB)
- FY2021 AWPB exceeds what TVWD budgeted for WIF Fund

81

TVWD as the Managing Agency

Manage the Entity

- Governance and operations
- Capital project delivery

Manage Its Financial Affairs

- Accounting
- Budgetary controls

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WIF Fund Budget Requirements

2019-21 Biennium				Reconciliation for 2019-21 Biennium			
Description	FY2020	FY2021	Total	Description	Actual/ Planned Spending	Current Appropriations	Difference
TVWD's Appropriations				Materials and Services	\$420,590	\$346,615	(\$73,975)
Materials and Services	\$176,815	\$169,800	\$346,615	Capital Outlay	8,113,208	7,557,825	(555,383)
Capital Outlay	731,827	6,825,998	7,557,825	Total	\$8,533,798	\$7,904,440	(\$629,358)
Total	\$908,642	\$6,995,798	\$7,904,440				
Annual Work Plan & Budget							
Materials and Services	\$194,815	\$337,150	\$531,965				
Capital Outlay	731,827	7,561,232	8,293,059				
Total	\$926,642	\$7,898,382	\$8,825,024				
Actual/Planned Spending							
Materials and Services	\$83,440	\$337,150	\$420,590				
Capital Outlay	551,976	7,561,232	8,113,208				
Total	\$635,416	\$7,898,382	\$8,533,798				

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Options for the WIF Budget Requirements

Supplemental Budget

- Recognize investments from Partners (including TVWD) as a resource
- Increase appropriations accordingly

Transfer of Appropriation

- Uses appropriations authority within the District's General Operating Contingency

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Proposed Transfer of Appropriations

General Fund (01)

Description	Change
Resources	\$0
Requirements	
General Operating Contingency	(\$629,358)
Interfund Transfer	\$629,358
Net Requirements	\$0

Willamette Intake Facilities Fund (44)

Description	Change
Resources	
Interfund Transfer	\$629,358
Requirements	
Materials and Services	\$73,975
Capital Outlay	\$555,383
Total	\$629,358

85

Management's Recommendation

Management recommends the Board approve Resolution 05-21, transferring General Fund General Operating Contingency appropriation to the Willamette Intake Facilities Fund Materials and Services appropriation and Capital Outlay appropriation for the biennial budget period 2019-21.

86

Questions and Answers

Proposed Supplemental Funding for Willamette Intake Facilities Fund

Proposed Transfer of Appropriations

May 19, 2021



Report of Meetings Attended

Commissioner Bernice Bagnall

Date	Meeting or Function	Purpose	\$	Claimed
4/22/2021	Budget Committee	3 rd budget workshop	0	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5/11/2021	CEO and Board VP	Agenda planning	\$50.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5/19/2021	Board Meeting	District Business	\$50.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			\$100	<input type="checkbox"/> Yes <input type="checkbox"/> No
			OK to pay	<input type="checkbox"/> Yes <input type="checkbox"/> No
			D Carper	<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

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.

Debbie Carper

From: Todd Sanders
Sent: Wednesday, May 19, 2021 5:33 PM
To: Debbie Carper
Subject: Re: Meetings attended form approval

I approve Commissioner Bagnall's Meetings attended for May 2021.

Todd Sanders

From: Debbie Carper <Debbie.Carper@tvwd.org>
Sent: Wednesday, May 19, 2021 7:41 AM
To: Todd Sanders <Todd.Sanders@tvwd.org>
Subject: Meetings attended form approval

Good morning,

Could I please have your email approval of Commissioner Bagnall's meetings attended form (attached)?

Debbie Carper, MMC
District Recorder

1850 SW 170th Avenue, Beaverton, OR 97003
direct 503-848-3014
debbie.carper@tvwd.org
www.tvwd.org

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Tualatin Valley Water District



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Report of Meetings Attended

Commissioner Jim Doane

Date	Meeting or Function	Purpose	\$	Claimed
19 May	Regular Meeting		50	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4 May	Work Session		50	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26 April	WIF Commission		50	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
22 April	Budget workshop #3		0	<input type="checkbox"/> Yes <input type="checkbox"/> No
			\$150	<input type="checkbox"/> Yes <input type="checkbox"/> No
			OK to pay CEAP	<input type="checkbox"/> Yes <input type="checkbox"/> No
			D Carper	<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

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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.

Report of Meetings Attended

Commissioner Jim Duggan

Date	Meeting or Function	Purpose	\$	Claimed
04/22/2021	TVWD Budget Workshop #3	Dept./Program Reviews	0	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
05/04/2021	TVWD Work Session	WWSS & Financial Updates	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
05/06/2021	WWSS Board Meeting & Exec. Session	Reg. Monthly Mtg.	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
05/11/2021	Washington County CPO#1 Mtg.	State Sen. Elizabeth Steiner Hayward	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
05/19/2021	TVWD Board Meeting	Reg. Monthly Mtg.	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			\$200	<input type="checkbox"/> Yes <input type="checkbox"/> No
			OK to pay D Carper	<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

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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 Todd Sanders

Date	Meeting or Function	Purpose	\$	Claimed
4/22/2021	Budget Committee	3 rd budget workshop	0	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5/4/2021	Monthly Work Session	Updates on Construction projects, financials	\$50.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5/19/2021	Board Meeting	District Business	\$50.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5/19/2021	May Talkin' Water	Efficient Outdoor Water Use	0	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
			\$100	<input type="checkbox"/> Yes <input type="checkbox"/> No
			OK to pay D Carper	<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

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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.



Report of Meetings Attended

Commissioner Dick Schmidt

Date	Meeting or Function	Purpose	\$	Claimed
05042021	Work session	Various	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
05112021	Board agenda planning		50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
05192021	Regular board		50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
			\$150	<input type="checkbox"/> Yes <input type="checkbox"/> No
			OK to pay D Carper	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

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.

Debbie Carper

From: Bernice Bagnall
Sent: Thursday, May 20, 2021 7:50 AM
To: Debbie Carper
Subject: Re: Meetings attended forms approval

I approve the meetings attended forms for all 4 commissioners.

Thanks, Bernice Bagnall

From: Debbie Carper <Debbie.Carper@tvwd.org>
Sent: Thursday, May 20, 2021 7:45 AM
To: Bernice Bagnall <bernice.bagnall@tvwd.org>
Subject: Meetings attended forms approval

Good morning,

Could I please have your approval of the attached forms?

Debbie Carper, MMC
District Recorder

1850 SW 170th Avenue, Beaverton, OR 97003
direct 503-848-3014
debbie.carper@tvwd.org
www.tvwd.org

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Budget Committee Meeting Minutes

May 25, 2021

This meeting was held by phone and the internet.

CALL TO ORDER – 6:07 PM

Budget Committee Members Present: Commissioner Bernice Bagnall; Commissioner Jim Doane, PE; Commissioner Jim Duggan, PE; Carl Fisher; Craig Hopkins; Marilyn McWilliams; Commissioner Todd Sanders; John Velehradsky, PE (retired); Mike Whiteley, PE
Budget Committee Member Absent: Commissioner Dick Schmidt

Staff Present: Tom Hickmann, PE, Chief Executive Officer; Paul Matthews, Chief Financial Officer/Budget Officer; Joe Healy, Senior Management Analyst; Justin Carlton, Financial Operations Manager; Shital Patel, CPA, Technical Services Accountant; Carrie Pak, PE, Chief Engineer; Clark Balfour, General Counsel; Dave Kraska, PE, Water Supply Program Director; Joelle Bennett, PE, Water Supply Program Assistant Director; Andrew Carlstrom, Customer Service Manager; Amy Blue, Human Resources Director; Tim Boylan, IT Services Director; Andrea Watson, Communications and Public Affairs Supervisor; Lisa Houghton, CPA, WWSP Finance Manager; Debbie Carper, District Recorder

1. BUDGET COMMITTEE CHAIR AND STAFF PRESENTATIONS

A. Consider Approval of Minutes

- March 23, 2021 Budget Committee workshop minutes
- April 8, 2021 Budget Committee workshop minutes
- April 22, 2021 Budget Committee workshop minutes

Motion was made by Sanders, seconded by Duggan, to approve the minutes as presented. The motion passed unanimously with Bagnall, Duggan, Hopkins, McWilliams, Sanders and Whiteley voting in favor.

B. Election of Budget Committee Chair

[Recorder's Note: Commissioner Doane, Mr. Fisher and Mr. Velehradsky arrived at 6:12 p.m.]

Motion was made by Hopkins, seconded by Velehradsky, to elect Commissioner Sanders as Budget Committee Chair. The motion passed unanimously with Bagnall, Doane, Duggan, Fisher, Hopkins, McWilliams, Sanders, Velehradsky and Whiteley voting in favor.

C. Budget Officer's Comments

Mr. Matthews reviewed the meeting agenda and provided reminders about Oregon Local Budget Law and Budget Committee procedures before reviewing answers to questions posed during and outside of prior Budget Committee workshops (see attached presentation and memorandum).

In response to additional questions, staff said:

- The proposed budget includes an increase in appropriation for the Customer Emergency Assistance Program in order to assist customers unable to pay their bills.
- When available, staff plans to connect customers who need help paying their bills to the federal Low-Income Household Water Assistance Program (LIHWAP). Only 27% of eligible customers participated in a recent federal assistance program; engagement with customers regarding such programs can be a challenge.
- The District will conduct a rate study in the coming biennium.
- Resuming shutoffs could promote customer responsiveness to District outreach.
- The in-District Capital Improvement Program (CIP) is experiencing delays due to equipment and materials costs and shortages as well as contractor unavailability.
- The Willamette Water Supply Program (WWSP) may face increasing costs due to inflationary pressures on commodities materials as well as shortages. Staff is reaching out to other utilities in the western United States to gauge how long-term these shortages may be. Cost mitigation for the WWSP is built in with project contingencies and management reserve.
- Shortages and cost increases are also mitigated by higher proposed rate increases as well as WWSP project deferment.

D. Chief Executive Officer's Comments

Mr. Hickmann reminded the Budget Committee that the District is in transition, currently positioned in a large-scale construction phase. He pointed out the District's unprecedented financial situation and the positive and negative drivers behind it. Mr. Hickmann described the "State of the District", outlining notable successes and challenges. The District faces several infrastructure, operational and financial planning risks, with staff building risk mitigation into the proposed budget.

Next, Mr. Hickmann listed the desired results of pursuing the District's strategic goals and reviewed alignment with the initiatives for the current biennium. He reviewed the District's most recent strategic planning efforts which included developing initiatives for the coming biennium by studying the themes embedded in the strengths, weaknesses, opportunities and threats (SWOT) analysis.

E. Proposed 2021-23 Budget

- Overview of Proposed 2021-23 Budget Message

Mr. Matthews reviewed the key elements of the budget message, the District's Oregon local budget development process and the five major themes driving the budget, linking the themes to the strategic initiatives and desired results. He said the District's desired results will be evaluated during the mission, vision and values update process.

Mr. Hickmann gave an overview of the mission, vision and values and governmental affairs initiatives for the next biennium and reviewed the District's commitment to completing existing initiatives.

Ms. Blue described the initiative on conducting a classification/compensation study.

Mr. Boylan described the business decision data initiative.

Mr. Carlstrom and Ms. Pak described the initiative on modernization.

Mr. Kraska described changes to the WWSP Baseline 6.1 budget resulting from economic challenges and cost increases. He noted the District is entering a heavy construction phase and this is the last opportunity to make major changes before contractual obligations limit options. The budgetary changes result in a savings of \$50 million. Mr. Matthews added that the Environmental Protection Agency (EPA) determined the WWSP deferrals are still consistent with the District's Water Infrastructure Finance and Innovation Act (WIFIA) loan agreement.

Mr. Matthews said there are two new Engineering and Operations staff requests in the proposed budget. However, there were three staff reductions in the WWSP budget; therefore, overall staff levels will not increase. He also described how financial planning and long-term financial planning drive delivery of performance and operational investment.

- Proposed 2021-23 Budget by Fund

Mr. Matthews described changes to the proposed budget after the third Budget Committee workshop, noting the Board approved two recent transfers of appropriations for the current budget. He reviewed a graphical representation of the six-year CIP which indicated that the next three years are heavy project spending years.

Next, Mr. Matthews reviewed the District's fund structure and proposed appropriations before highlighting elements in the proposed budget for each fund. Finally, he tied it all together with the appropriations summary, noting the historic nature of this budget.

Mr. Hickmann reiterated the District's transitional phase and explained how this budget will set the stage for a future regional operations phase.

2. BUDGET COMMITTEE

A. Budget Committee Questions

There were no additional questions.

B. Public Hearing

Commissioner Sanders opened the public hearing and asked for testimony in support or opposition to the proposed budget. There was none. The public hearing was closed.

C. Discussions and Action on the Proposed 2021-23 Budget

Motion was made by Doane, seconded by Hopkins, that the Budget Committee of the Tualatin Valley Water District approve the Proposed 2021-23 Biennial Budget as presented by staff at the levels of appropriation displayed for each of the District's funds. The motion passed unanimously with Bagnall, Doane, Duggan, Fisher, Hopkins, McWilliams, Sanders, Velehradsky and Whiteley voting in favor.

3. NEXT STEPS

Commissioner Sanders said the Board of Commissioners will consider adoption of the approved budget at its regular meeting on June 16, 2021. A second public hearing will be held at that time. Budget Committee members are invited and are welcome and encouraged to testify. The Approved Budget will remain available for public review and posted on the District's website.

ADJOURNMENT

There being no further business, Commissioner Sanders adjourned the meeting at 8:09 p.m.

Bernice Bagnall, President

Todd Sanders, Secretary



TUALATIN VALLEY
WATER DISTRICT

2021-23 Biennial Budget Committee Meeting

Workshop #1: March 23, 2021

Workshop #2: April 8, 2021

Workshop #3: April 22, 2021

➔ Budget Committee Meeting and Public Hearing: May 25, 2021

1

Budget Committee Chair

Election

- Nominations
 - Open
 - Close
- Election of chair
- Transfer of virtual gavel

2

Approval of Budget Committee Workshop Minutes

Motion and Second to Approve

- March 23, 2021: Budget Committee Workshop
- April 8, 2021: Budget Committee Workshop
- April 22, 2021: Budget Committee Workshop

3

3



TUALATIN VALLEY
WATER DISTRICT

Presentation by Management

2021-23 Biennial Budget
Committee Meeting

May 25, 2021

4

Budget Committee Meeting Agenda

Management Presentations

- Questions from Workshops
- Chief Executive Officer's Comments
- Proposed 2021-23 Budget and Budget Message Highlights
- Discussion of Deferred Projects from the WWSS
- Proposed 2021-23 Budget by Fund

Budget Committee

- Budget Committee Questions
- Public Hearing
- Discussions and Action on the Proposed 2021-23 Budget

5

5

Oregon Local Budget Law



Oregon Revised Statutes 294



Standardizes Procedures



Provides Opportunities for Public Input



Budget Committee members should not deliberate outside of the formal meeting(s)



Compliance is Mandatory

6

6

Budget Committee Procedures

Things to Consider

- All members of the committee have equal authority
- The committee must have a majority of members present for a meeting
- Committee actions must have approval of a majority of its members (minimum 6 affirmative votes)

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Questions from Workshops



8

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Question from Workshops

Leak Adjustments

- How much is the current budget for leak adjustments

Customer Base

- Who are the biggest consumers
- Where is the water consumed

Shutoffs

- What are the shutoff statistics by customer class

9

9

Leak Adjustments

Budgeted Amounts

- 2019-21 Biennium: \$731,270
- 2021-23 Biennium: \$787,140

Methodology

- Based on recent history
- Change in rates and customers affect the budget request

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Customer-Related Questions

Customer Base

- Who are the biggest consumers
- Both residential and commercial

Shutoffs

- Residential and commercial

CUSTOMER	FISCAL YEAR 2019-20			FISCAL YEAR 2010-11		
		Consumption CCF [1]	Percent		Consumption CCF [1]	Percent
Intel	1	353,607	3.89%	1	328,621	3.47%
Maxim Integrated Products	2	325,590	3.58%	2	286,725	3.03%
Nike	3	176,463	1.94%	4	85,832	0.91%
Resers Fine Foods	4	121,190	1.33%	5	82,922	0.88%
Providence Health Systems	5	69,571	0.77%	3	121,162	1.28%
Panzer Nursery Inc	6	56,915	0.63%	7	65,776	0.69%
Heritage Village Mobile Park	7	53,965	0.59%	6	76,477	0.81%
Tualatin Hills Park & Recreation District	8	53,900	0.59%	10	46,788	0.49%
Simpson Property Group	9	49,749	0.55%	9	47,520	0.50%
OHSU West Campus	10	45,477	0.50%			
Tektronix				8	52,833	0.56%
		1,306,427	14.38%		1,194,656	12.62%
All Other Consumers		7,780,103	85.62%		8,271,262	87.38%
Total		9,086,530	100%		9,465,918	100%

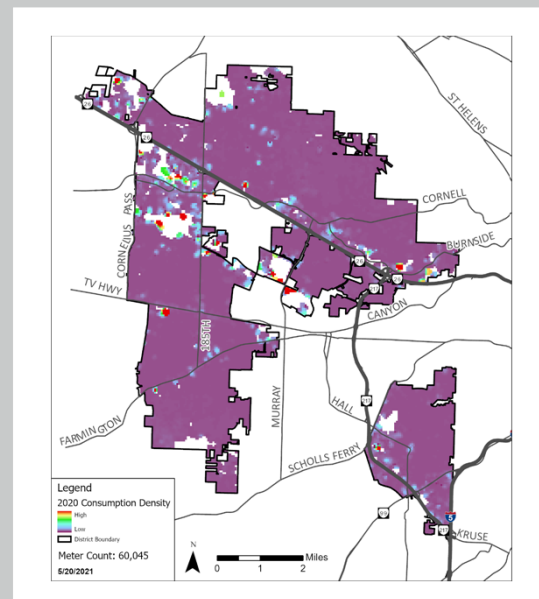
[1] CCF = Hundred cubic feet = 748 gallons.

11

11

Water Delivery Density

- Includes all customers
- Significant demands for fewer, large industrial customers

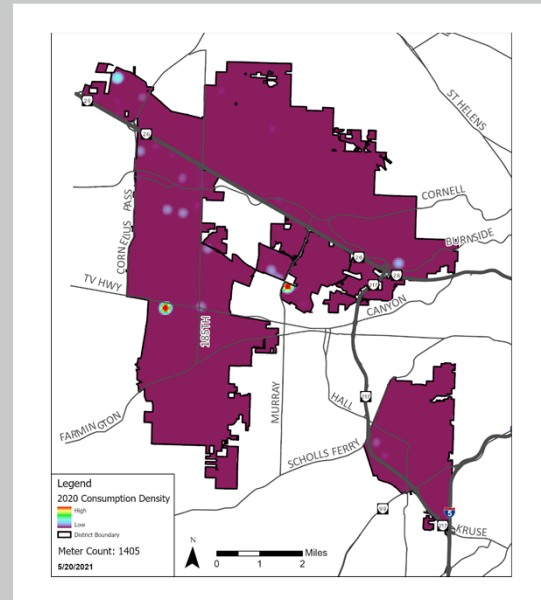


12

12

Water Delivery Density

- Commercial and industrial customers only
- Significant demands for fewer, large industrial customers

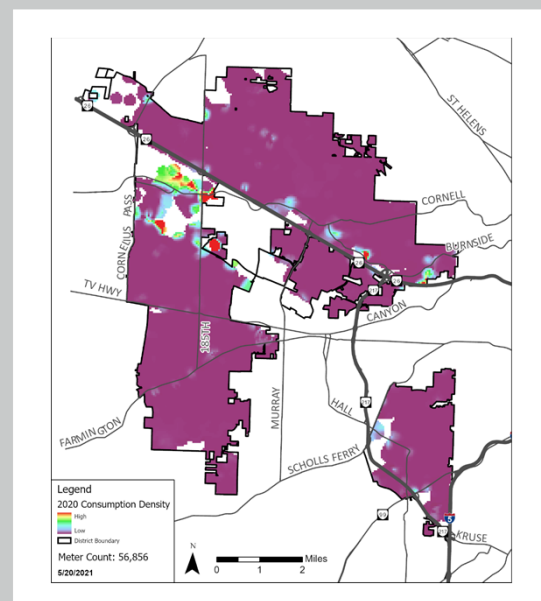


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Water Delivery Density

- Residential customers
 - Single-family residential
 - Multifamily residential
- Large multifamily complexes influence heatmap

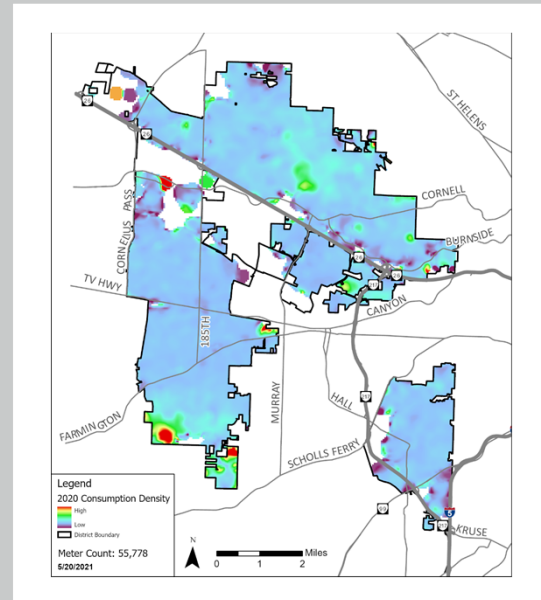


14

14

Water Delivery Density

- Single-family residential customers only
- Less dense areas seem to have higher demands

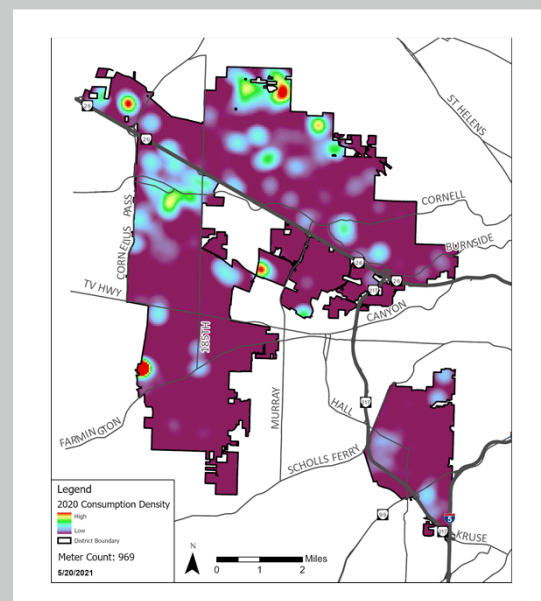


15

15

Water Delivery Density

- Irrigation customers only
- Primarily commercial, multifamily properties
- Home-owner associations also significant



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GIS-based Demand Information

Benefits

- Correlate demands to areas where outreach could better assist customers

Future

- New CIS will provide more robust information
- AMI will increase granularity of time

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Shutoffs by Class

Description	Single-Family Residential	Multifamily Residential	Commercial	Irrigation	Temporary Irrigation	Fireline	Total
Number of Accounts	1,789	19	26	13	4	5	1,856
Balance	\$706,792	\$10,943	\$16,612	\$65,718	\$4,974	\$10,078	\$815,116
Average Balance per Account	\$395	\$576	\$639	\$5,055	\$1,243	\$2,016	\$439

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MEMO

Date: May 24, 2021
 To: Budget Committee
 CC: Tom Hickmann, Chief Executive Officer
 From: Paul Matthews, Chief Financial Officer/Budget Officer
 Re: Budget Committee Questions

INTRODUCTION
 Thank you for your continued support of the Tualatin Valley Water District's budget process.

Below are questions staff has received during the Budget Committee Workshops and since the Proposed 2021-23 Biennial Budget was released. Our team assembled these responses and will be available during the Budget Committee Meeting on May 25, 2021 to address these questions further if requested.

QUESTIONS
Budget Committee Workshops

- Question: How much money is appropriated for leak adjustments in the current biennial budget?
 Answer: The 2019-21 Biennial Budget has \$731,270 budgeted for leak adjustments. As of April 30, 2021, the District spent \$607,569 on leak adjustments. The District expects to end the current biennium within budget with a margin of less than \$37,000.
- Question: Could you please provide a breakdown of our customer base (who are the biggest consumers both residential and commercial)?
 Answer: Information on the largest customers was presented in the third Budget Committee Workshop. Additional information will be provided at the Budget Committee meeting that presents GIS-based heatmaps of where water is consumed within the District by customer classification.
- Comment: When you talk about the shut-off, it would be nice to see the breakdown of shut-off between residential and commercial.
 Response: This information was presented in the third Budget Committee Workshop. The breakdown by class as of March 31st is also presented here:

1850 SW 170th Avenue, Beaverton, Oregon 97005 // phone 503-648-3000 // fax 503-648-2733 // www.tvwd.org

Questions on Proposed Budget

- Follow up from memo
- Confirmation of next steps

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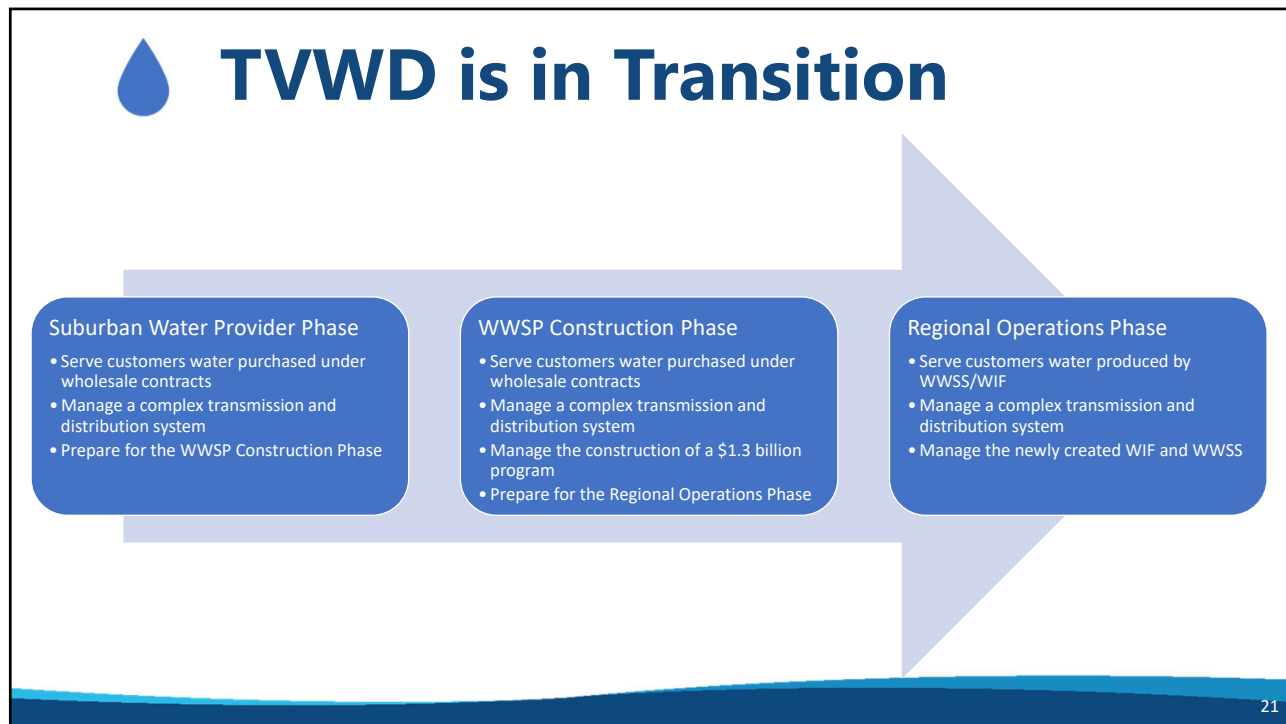
TUALATIN VALLEY
WATER DISTRICT

Comments from Chief Executive Officer

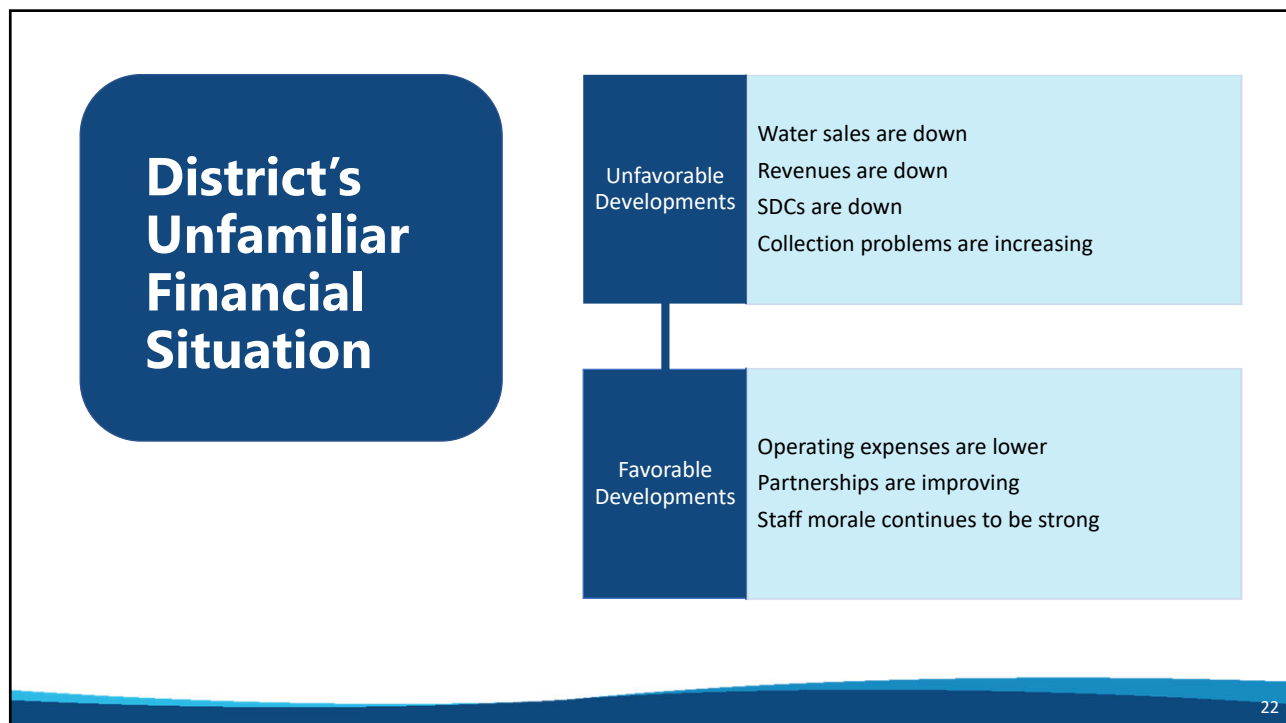
2021-23 Biennial Budget
Committee Meeting

May 25, 2021

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State of the District

Successes

- Implemented new governance for WWSS
- WIFIA loan re-execution
- Operating under a pandemic
- Progress on DEI Initiative
- Development of the Leadership Team

Challenges

- Pandemic
- Revenue shortfalls
- Partnerships
- Implementing CIS
- Project risk and uncertainties

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Risks to Consider

Infrastructure Risks

- Failure of major facility
- Cost impacts of delaying investments

Operational Risks

- Effectiveness of operations
- Maintaining service levels
- Preparing for the WWSS

Financial Planning Risks

- Future revenue (higher or lower than planned)
- Interest rates and cost of borrowing
- Inflation

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Strategic Goals: Desired Results

Tualatin Valley Water District Desired Results	
1.	The Water Supply Meets Community Needs and Expectations
2.	The Community Is Confident in Our Water, Service and Employees
3.	We Are Good Stewards of Our Financial Resources
4.	We Are Good Stewards of Natural Resources
5.	We Are Good Stewards of Our Own Assets and Resources (People & Physical Assets)

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2019-21 Strategic Initiatives and Desired Results

#	District Initiatives	Desired Results				
		Water Needs & Expectations	Community Confidence in TVWD	Stewards of Financial Resources	Stewards of Natural Resources	Stewards of People and System
1	Program for Management and Operation of the WWSS	✓	✓	✓	✓	✓
2	Debt Program	✓	✓	✓		
3	Strategic Communications Program	✓	✓	✓		✓
4	Develop and Implement CIS		✓	✓		✓
5	District Resiliency Program	✓	✓	✓	✓	✓
6	Human Capital Strategy	✓	✓	✓		✓

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Progress on 2019-21 Strategic Initiatives

#	Description	Dept. or Division	Target Date	Status	Status
1	Program for Management and Operation of the Willamette Water Supply System	Admin	June 2026	G	●
2	Debt Program	Finance	June 2021	C	✓
3	Strategic Communications Program	Communications & Public Affairs	December 2021	Y	●
4	Develop and Implement CIS	Customer Service	February 2022	Y	●
5	District Resiliency Program	Risk	June 2021	C	✓
6	Human Capital Strategy	HR	June 2021	C	✓

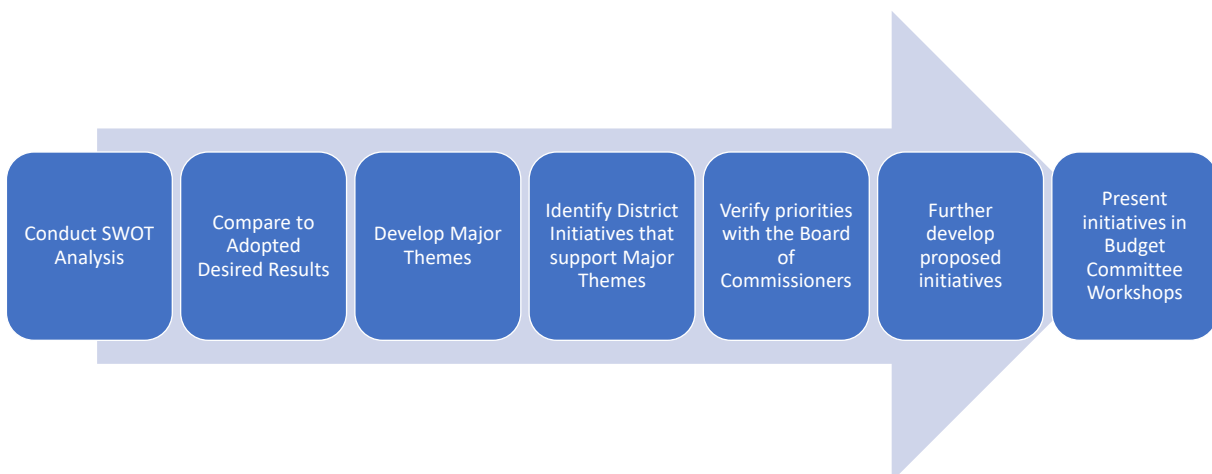
KEY:

Completed	C	✓
On Schedule	G	●
Some issues slowing this down	Y	●
Significantly off schedule	R	●

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Updated Strategic Planning Process



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Major Themes from SWOT Analysis

Human Investment	Intergovernmental Relations	Business Intelligence	Efficiency Through Modernization	Current Initiatives
<ul style="list-style-type: none"> • Prepare employees to be successful in meeting the future requirements of the District. 	<ul style="list-style-type: none"> • Improve relationships with local governments and neighboring utilities to solidify TVWD as a necessary and desired regional resource. 	<ul style="list-style-type: none"> • Improve planning and the District's ability to respond by developing actionable information from disparate sources of data. 	<ul style="list-style-type: none"> • Improve the service levels provided to our customers and find long-term strategies to lower the cost of doing so. 	<ul style="list-style-type: none"> • Successfully execute and complete the initiatives currently underway.

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TUALATIN VALLEY
WATER DISTRICT

Proposed 2021-23 Biennial Budget and Budget Message Highlights

2021-23 Biennial Budget
Committee Meeting

May 25, 2021

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Budget Message Organization

Key Elements

- Budget process, format, and basis
- District strategic initiatives
- Financial policies and long-term planning
- 2021-23 Biennium Budget Summary
- Six-Year Capital Improvement Plan
 - District improvements
 - Joint ventures

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Oregon Local Budget Process

Requested Budget

- Management develops department-level requests

Proposed Budget

- Budget officer prepares Proposed Budget for Budget Committee Action

Approved Budget

- Budget Committee approves budget for consideration for Adoption

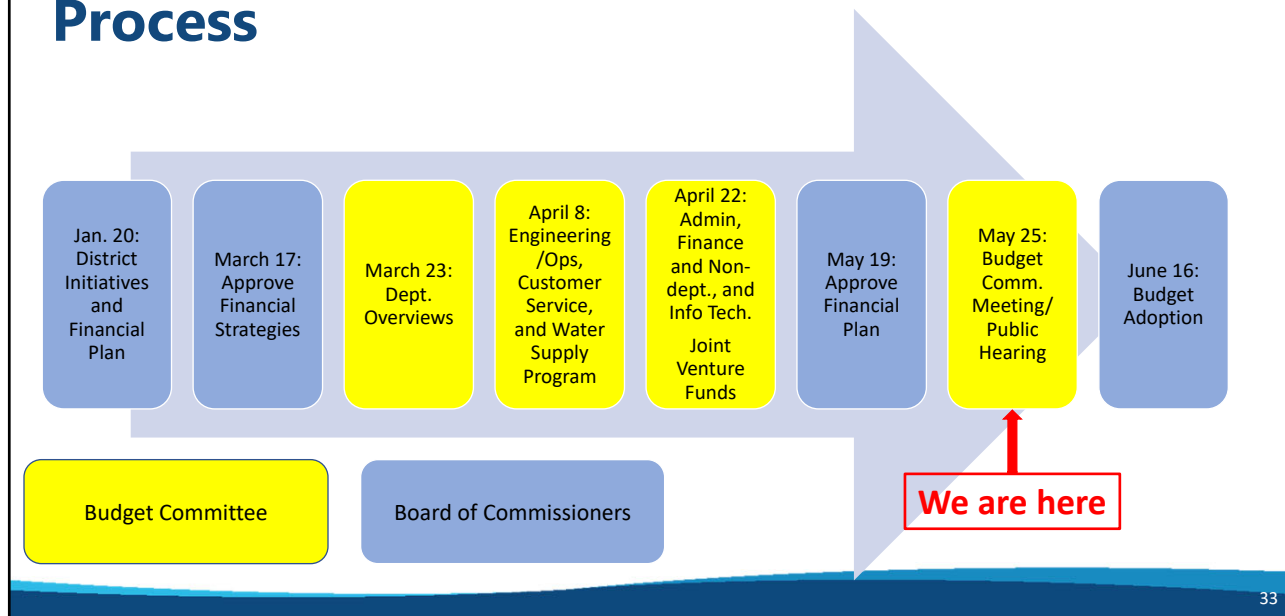
Adopted Budget

- Board of Commissioners adopts budget and sets appropriations

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Recap of Budget & Financial Planning Process



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Five Major Themes Drive Budget

Key Budget Drivers

- Human Investment
- Intergovernmental Relations
- Business Intelligence
- Efficiency Through Modernization
- Current Initiatives

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Strategic Initiatives and Desired Results

Strategic Initiatives	Desired Results				
	Water Needs & Expectations	Community Confidence in TVWD	Stewards of Financial Resources	Stewards of Natural Resources	Stewards of People and Systems
Mission, Vision, and Values		✓	✓	✓	✓
Conduct Classification / Compensation Study			✓		✓
Government Affairs	✓	✓			✓
Business Decision Data	✓	✓	✓	✓	✓
Modernization	✓		✓	✓	✓
Existing Initiatives	✓	✓	✓	✓	✓

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Mission, Vision, and Values

Objectives

- Develop District-wide buy-in into our mission, vision, and values
- Integrate TVWD's mission, vision, and values into TVWD's culture
- Update TVWD's strategic planning process

Key Elements

- Refine/update the District's mission, vision, and values
- Integrate team-oriented training into District's culture
- Implement DEI Initiative

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Governmental Affairs

Objectives

- Improve relationships with other local governments
- Develop better information on how TVWD's efforts affect its partners and customers
- More fully integrate the communications functions

Key Elements

- Develop/implement government affairs strategy
- Reorganize communications
- Implement new survey protocols

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Complete Existing Initiatives

Objectives

- Successfully complete important initiatives that carry over from prior efforts

Key Elements

- Implement WWSS and WIF
- Develop plan for wind-down of the PMO
- Implement CIS
- Invest in critical infrastructure
- Complete TVWD branding strategy
- Decommission on-premises SharePoint

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Conduct Class/Compensation Study

Objective

- Prepare TVWD's workforce for the transition to the WWSS/WIF managing agency/operator
- Modernize TVWD's compensation structure to better align with current market conditions

Key Elements

- Assess TVWD's compensation structure against current needs
- Identify job classification and compensation challenges in the modern labor market
- Prepare an implementation and change management plan

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Business Decision Data

Objectives

- Improve management decision making
- Reduce apparent data inconsistencies
- Embrace technology to reduce costs of doing business

Key Elements

- Develop common data warehouse
- Implement management dashboards
- Develop data-informed processes

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Modernization

Objectives

- Reduce costs of maintaining or improving service levels for customers
- Align TVWD's efforts with those activities providing greatest return to customers
- Manage risks

Key Elements

- Develop AMI strategy
- Develop/implement project management center
- Mature asset management strategy

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Changes made to WWSS for Baseline 6.1

- Deferred construction of one of the two planned 15-MG reservoirs
- Deferred construction of PLW_2.0 except portion through OWNPN and the adjacent old ODOT Rail berm property
- Deferred installation/commissioning of fiber cable in the finished water system and installing conduit for constructed pipelines
- Changed WTP bid deduct items to bid additive items

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WIFIA Program Approves WWSS Project Deferrals

RE: Follow-Up from Call on WWSP Baseline Budget and

Escobar, Alejandro <escobar.alejandro@epa.gov>
To: Paul Matthews
Cc: lee.lindsey; suzanne.linneen@hillsboro-oregon.gov
Public Record
You forwarded this message on 4/1/2021 5:35 PM.
LinkedIn

CAUTION: This email originated from outside of the organization.

Hi Paul,

Thanks for your email and very clear explanation of the situation. I have
The changes are consistent with the Loan Agreements between EPA and
big infrastructure undertakings. The proposed baseline budget does not
with the proposed reduction.

Thanks again for being proactive borrower.

Alejandro

Alejandro Escobar
Acting Chief, Technical Support Branch
WIFIA Program
Office of Wastewater Management
U.S. Environmental Protection Agency
(O) 202-564-9047
(M) 202-236-4876
escobar.alejandro@epa.gov
Pronouns: he/him/his



...The changes are consistent with the Loan Agreements between EPA and TVWD and the City of Hillsboro and constitute a logical evolution of a complicated project typical of what we see in big infrastructure undertakings. The proposed baseline budget does not change the definition of the Project as presented in the Loan Agreements...

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New Requested Staff Positions

Engineering and Operations

- SCADA staff member
- Water Works Operator

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Financial Policies and Long-term Planning

TVWD's Financial Policies

- Financial Management Policies
- Investment Policies

Long-term planning

- Financial Strategies
- Financial Plan

Delivery

- Financial performance
- Operational performance
- Infrastructure investment

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TUALATIN VALLEY
WATER DISTRICT

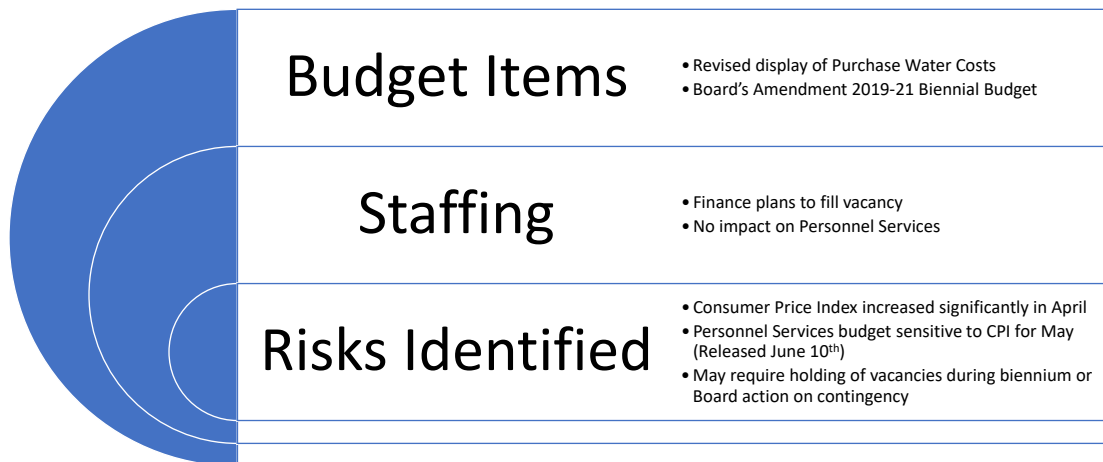
Proposed 2021-23 Budget by Fund

2021-23 Biennial Budget
Committee Meeting

May 25, 2021

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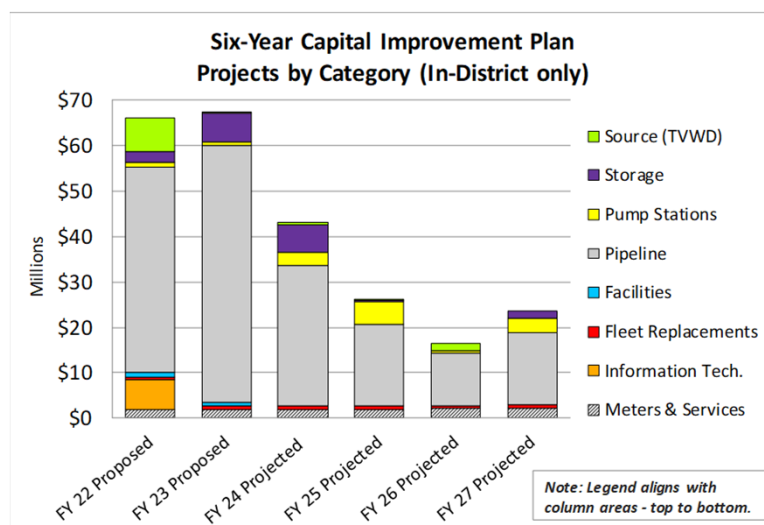
Budgetary Changes Since Workshop #3



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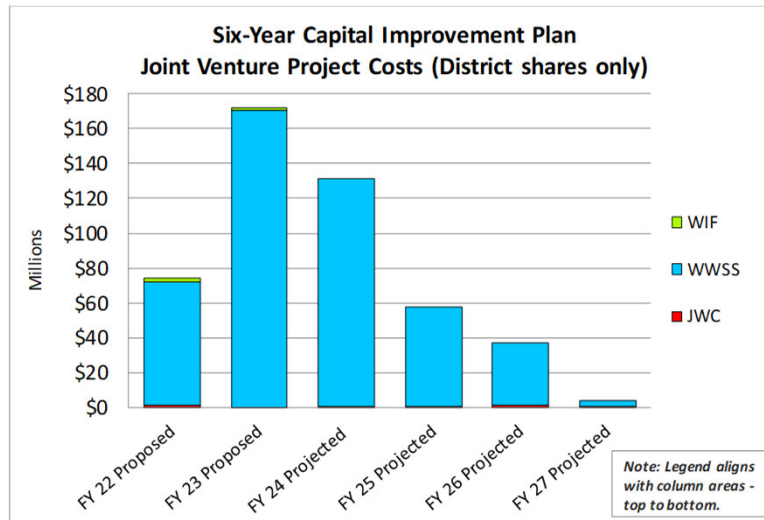
Key Infrastructure Investments



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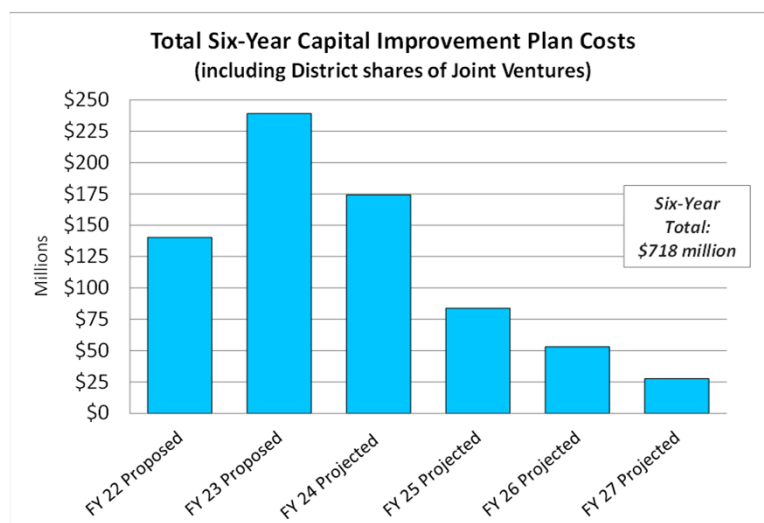
Key Infrastructure Investments



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Key Infrastructure Investments



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TVWD's Fund Structure

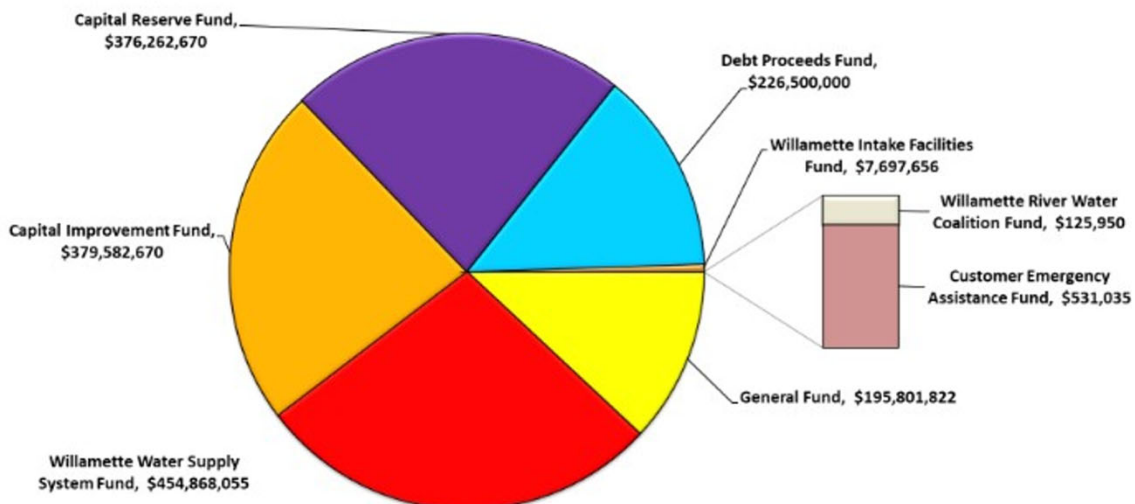
Six Funds Directly Support the Water Utility	
General Fund (01)	Administration, operations, and maintenance activity. All District staff are budgeted in this fund.
Capital Improvement Fund (11)	Accounts for the resources and expenditures used for acquisition or construction of major capital facilities not funded by bond proceeds.
Capital Reserve Fund (18)	Holds resources for current and future capital improvement and water supply projects.
Debt Proceeds Fund (22)	Holds proceeds from the District's debt portfolio including the revenue bonds, WIFIA loan proceeds, and other types of borrowings.
Revenue Bond Debt Service Fund (31)	Accounts for repayment of principal and interest on the District's revenue bonds.
Customer Emergency Assistance Fund (43)	Accounts for the resources, administration, and customer payments for those who qualify for emergency assistance.

Three Funds Manage Partnerships	
Willamette Water Supply System Fund - WWSS (45)	An ORS chapter 190 Joint Venture with the cities of Beaverton, Hillsboro, and TVWD. TVWD serves as the managing agency providing administration, operations, project management and accounting services.
Willamette Intake Facilities Fund - WIF (44)	An ORS chapter 190 Joint Venture with the cities of Beaverton, Hillsboro, Sherwood, Tigard, Wilsonville, and TVWD. TVWD serves as the managing agency providing general administration, project management, and accounting services.
Willamette River Water Coalition Fund - WRWC (41)	An ORS chapter 190 Joint Venture with the cities of Sherwood, Tigard, Tualatin, and TVWD. TVWD serves as the managing agency providing general administration and accounting services.

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Proposed 2021-23 Appropriations



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General Fund

Description	2019-21 Budget	Proposed Budget	Change	Percent Change	Annualized Percent
Personnel Services	\$ 43,536,650	\$ 42,330,036	\$ (1,206,614)	-2.8%	-1.4%
Materials & Services	42,131,196	47,640,836	5,509,640	13.1%	6.3%
Capital Outlay	212,200	705,950	493,750	232.7%	82.4%
Special Payments	21,446,000	1,625,000	(19,821,000)	-92.4%	-72.5%
Interfund Transfers	78,491,222	83,500,000	5,008,778	6.4%	3.1%
Contingency	14,370,642	20,000,000	5,629,358	39.2%	18.0%
Total	\$ 200,187,910	\$ 195,801,822	\$ (4,386,088)	-2.2%	-1.1%

- All personnel services budgeted in General Fund
- Purchased Water/Power is 51.5% of materials & services
- Available resources transferred to Capital Reserve Fund for capital projects and future use
- Special Payments appropriation for right-of-way fee pass-through

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Capital Improvement Fund

Description	2019-21 Budget	Proposed Budget	Change	Percent Change	Annualized Percent
Personnel Services	\$ -	\$ -	\$ -	NA	NA
Materials & Services	-	-	-	NA	NA
Capital Outlay	179,522,721	379,582,670	200,059,949	111.4%	45.4%
Special Payments	-	-	-	NA	NA
Interfund Transfers	-	-	-	NA	NA
Contingency	-	-	-	NA	NA
Total	\$ 179,522,721	\$ 379,582,670	\$ 200,059,949	111.4%	45.4%

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Capital Improvement Fund

Resources	
TVWD	\$ 376,262,670
Other Partners	3,320,000
Total Resources	\$ 379,582,670
Requirements	
Materials & Services	\$ 0
Capital Outlay	379,582,670
Contingency	0
Total Requirements	\$ 379,582,670

Key Elements

- Capacity improvements
- Replacement
 - Condition assessment
 - Age
 - Resiliency
- Relocation – Agency Driven
- Metzger Pipeline East (MPE) budgeted here

Joint Ventures

- Includes appropriations for District's share of WWSS, WIF and Joint Water Commission capital projects

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Capital Reserve Fund

Description	2019-21 Budget	Proposed Budget	Change	Percent Change	Annualized Percent
Personnel Services	\$ -	\$ -	\$ -	NA	NA
Materials & Services	-	-	-	NA	NA
Capital Outlay	-	-	-	NA	NA
Special Payments	-	-	-	NA	NA
Interfund Transfers	179,522,721	376,262,670	196,739,949	109.6%	44.8%
Contingency	-	-	-	NA	NA
Total	\$ 179,522,721	\$ 376,262,670	\$ 196,739,949	109.6%	44.8%

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Capital Reserve Fund

Capital Reserve Fund

Resources

Beginning Balance	\$	56,508,462
Interest Income	\$	431,000
Contributions	\$	10,725,083
Interfund Transfer		309,500,000
Total Resources	\$	377,164,545

Requirements

Interfund Transfer	\$	376,262,670
Unappropriated		901,875
Total Requirements	\$	377,164,545

Key Elements

- Accounts for financial reserves
- Transfers to the District Capital Improvement Fund
- Resources include SDC revenues, meter & services install fees, interest earnings, transfers-in from other funds

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Debt Proceeds Fund

Description	2019-21 Budget	Proposed Budget	Change	Percent Change	Annualized Percent
Personnel Services	\$ -	\$ -	\$ -	NA	NA
Materials & Services	-	-	-	NA	NA
Capital Outlay	-	-	-	NA	NA
Special Payments	-	-	-	NA	NA
Interfund Transfers	25,000,000	226,500,000	201,500,000	806.0%	201.0%
Contingency	-	-	-	NA	NA
Total	\$ 25,000,000	\$ 226,500,000	\$ 201,500,000	806.0%	201.0%

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Debt Proceeds Fund

Key Elements

- Accounts for proceeds of borrowing
- Anticipated WIFIA draws during biennium
- Interfund transfers to the Capital Reserve Fund

Debt Proceeds Fund

Resources	
Beginning Balance	\$ 0
Bond Proceeds	226,500,000
Total Resources	\$ 226,500,000
Requirements	
Materials & Services	\$ 0
Interfund Transfer	226,500,000
Contingency	0
Total Requirements	\$ 226,500,000

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Customer Emergency Assistance Fund

Description	2019-21 Budget	Proposed Budget	Change	Percent Change	Annualized Percent
Personnel Services	\$ -	\$ -	\$ -	NA	NA
Materials & Services	41,400	531,035	489,635	1182.7%	258.1%
Capital Outlay	-	-	-	NA	NA
Special Payments	-	-	-	NA	NA
Interfund Transfers	-	-	-	NA	NA
Contingency	-	-	-	NA	NA
Total	\$ 41,400	\$ 531,035	\$ 489,635	1182.7%	258.1%

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Customer Emergency Assistance Fund

Key Elements

- Provides emergency relief to qualified customers through the Customer Emergency Assistance Program
- Qualification provided by third party
- Sources of Funds:
 - Customer donations
 - Commissioners and staff
 - Budgeted funds
- Interest earnings remain within Fund
- Request \$250,000 per year to assist customers with emergency needs
- Working closely with Clean Water Services to match efforts

Resources

Beginning Balance	\$	5,000
Donations & Interest		26,035
Transfers In		500,000
Total Resources	\$	531,035

Requirements

Materials & Services	\$	531,035
Capital Outlay		0
Total Requirements	\$	531,035

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Willamette Water Supply System Fund

Description	2019-21 Budget	Proposed Budget	Change	Percent Change	Annualized Percent
Personnel Services	\$ -	\$ -	\$ -	NA	NA
Materials & Services	1,714,154	2,343,405	629,251	36.7%	16.9%
Capital Outlay	217,296,865	452,289,650	234,992,785	108.1%	44.3%
Special Payments	-	-	-	NA	NA
Interfund Transfers	-	-	-	NA	NA
Contingency	173,000	235,000	62,000	35.8%	16.5%
Total	\$ 219,184,019	\$ 454,868,055	\$ 235,684,036	107.5%	44.1%

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Willamette Water Supply System Commission

Key Elements

- Joint venture of TVWD, and the cities of Beaverton and Hillsboro
- TVWD serves as managing agency
- TVWD's share of operating expenses are budgeted in Administration Regional Partnerships
- The budget is set annually by the WWSS Commission Board
- Constructs and operates the Willamette Water Supply System

Resources

TVWD	\$	243,272,395
Other Partners		211,595,660
Total Resources	\$	454,868,055

Requirements

Materials & Services	\$	2,343,405
Capital Outlay		452,289,650
Contingency		235,000
Total Requirements	\$	454,868,055

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Willamette Intake Facilities Fund

Description	2019-21 Budget	Proposed Budget	Change	Percent Change	Annualized Percent
Personnel Services	\$ -	\$ -	\$ -	NA	NA
Materials & Services	420,590	1,056,920	636,330	151.3%	58.5%
Capital Outlay	8,113,208	6,533,736	(1,579,472)	-19.5%	-10.3%
Special Payments	-	-	-	NA	NA
Interfund Transfers	-	-	-	NA	NA
Contingency	36,000	107,000	71,000	197.2%	72.4%
Total	\$ 8,569,798	\$ 7,697,656	\$ (872,142)	-10.2%	-5.2%

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Willamette Intake Facilities Commission

Key Elements

- Joint venture of TVWD, and cities of Beaverton, Hillsboro, Sherwood, Tigard, and Wilsonville
- TVWD serves as managing agency
- TVWD's share of operating expenses are budgeted in Administration Regional Partnerships
- The budget is set annually by the WIF Commission Board
- Constructs and operates the Willamette Intake Facilities on the Willamette River

Resources

TVWD	\$	3,523,945
Other Partners		4,173,711
Total Resources	\$	7,697,656

Requirements

Materials & Services	\$	1,056,920
Capital Outlay		6,533,736
Contingency		107,000
Total Requirements	\$	7,697,656

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Willamette River Water Coalition Fund

Description	2019-21 Budget	Proposed Budget	Change	Percent Change	Annualized Percent
Personnel Services	\$ -	\$ -	\$ -	NA	NA
Materials & Services	167,000	114,300	(52,700)	-31.6%	-17.3%
Capital Outlay	-	-	-	NA	NA
Special Payments	-	-	-	NA	NA
Interfund Transfers	-	-	-	NA	NA
Contingency	-	11,650	11,650	NA	NA
Total	\$ 167,000	\$ 125,950	\$ (41,050)	-24.6%	-13.2%

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Willamette River Water Coalition

Key Elements

- Joint venture of TVWD, and cities of Sherwood, Tigard, and Tualatin
- TVWD serves as the managing agency
- TVWD's dues are budgeted in Regional Partnerships
- The WRWC budget is set annually by its governing board
- Primarily focused on water rights on the Willamette River

Resources

TVWD	\$	58,000
Other Partners		67,950
Total Resources	\$	125,950

Requirements

Materials & Services	\$	114,300
Capital Outlay		0
Contingency		11,650
Total Requirements	\$	125,950

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Appropriations Summary - Proposed 2021-23 Budget

	2019-21 Biennial Revised Budget	2021-23 Biennial Proposed Budget	% Change from Revised 2019-21 Biennial
Sources of Funds			
Operating Revenue	\$ 170,406,943	\$ 180,495,611	5.9%
Non-Operating Revenue	240,480,095	472,586,886	96.5%
Total Revenues:	\$ 410,887,038	\$ 653,082,497	58.9%
Transfers In From Other Funds	283,013,943	686,262,670	142.5%
Debt Resources	25,000,000	226,500,000	
Beginning Fund Balances	132,950,815	93,893,898	-29.4%
Total Sources	\$ 851,851,796	\$ 1,659,739,065	94.8%
Uses of Funds			
Personnel Services	\$ 43,536,651	\$ 42,330,036	-2.8%
Materials and Services	44,391,964	51,686,496	16.4%
Capital Outlay	404,589,611	839,112,006	107.4%
Special Payments	21,446,000	1,625,000	-92.4%
Contingency	15,209,000	20,353,650	33.8%
Transfers Out To Other Funds	283,013,943	686,262,670	142.5%
Total Appropriations:	\$ 812,187,169	\$ 1,641,369,858	102.1%
Ending Fund Balances	39,664,627	18,369,207	-53.7%
Total Uses	\$ 851,851,796	\$ 1,659,739,065	94.8%

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Summary

2021-23 Presents New Challenges

- Unfamiliar financial position
- Continued large infrastructure investments

Proposed 2021-23 Budget

- Funds initiatives based on strategic plan
- Maintains current service levels with limited additions for strategic initiatives
- Recognizes impact of pandemic on customers by funding bad debt expense and Customer Emergency Assistance Program
- Funds District's infrastructure investments
- Funds District transition to managing agency for the WWSS and WIF

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TVWD is in Transition

Suburban Water Provider Phase

- Serve customers water purchased under wholesale contracts
- Manage a complex transmission and distribution system
- Prepare for the WWSP Construction Phase

WWSP Construction Phase

- Serve customers water purchased under wholesale contracts
- Manage a complex transmission and distribution system
- Manage the construction of a \$1.3 billion program
- Prepare for the Regional Operations Phase

Regional Operations Phase

- Serve customers water produced by WWSS/WIF
- Manage a complex transmission and distribution system
- Manage the newly created WIF and WWSS

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Recommendation

2021-23 Biennial Budget
Committee Meeting

May 25, 2021

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Management Recommendation

Budget Committee

- Approve TVWD's 2021-23 Biennial Budget as proposed
- Recommend the Board of Commissioners Adopt the Approved Budget

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Next Steps

- Future Meetings
 - Board of Commissioners Meeting Consider Adoption of 2021-23 Budget: Wednesday, June 16th at 6:00 pm
- Questions for the Team

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MEMO

Date: May 24, 2021

To: Budget Committee

CC: Tom Hickmann, Chief Executive Officer

From: Paul Matthews, Chief Financial Officer/Budget Officer

Re: Budget Committee Questions

INTRODUCTION

Thank you for your continued support of the Tualatin Valley Water District's budget process.

Below are questions staff has received during the Budget Committee Workshops and since the Proposed 2021-23 Biennial Budget was released. Our team assembled these responses and will be available during the Budget Committee Meeting on May 25, 2021 to address these questions further if requested.

QUESTIONS

Budget Committee Workshops

1. Question: How much money is appropriated for leak adjustments in the current biennial budget?

Answer: The 2019-21 Biennial Budget has \$731,270 budgeted for leak adjustments. As of April 30, 2021, the District spent \$607,569 on leak adjustments. The District expects to end the current biennium within budget with a margin of less than \$37,000.

2. Question: Could you please provide a breakdown of our customer base (who are the biggest consumers both residential and commercial)?

Answer: Information on the largest customers was presented in the third Budget Committee Workshop. Additional information will be provided at the Budget Committee meeting that presents GIS-based heatmaps of where water is consumed within the District by customer classification.

3. Comment: When you talk about the shut-off, it would be nice to see the breakdown of shut-off between residential and commercial.

Response: This information was presented in the third Budget Committee Workshop. The breakdown by class as of March 31st is also presented here:

Description	Single-Family Residential	Multifamily Residential	Commercial	Irrigation	Temporary Irrigation	Fireline	Total
Number of Accounts	1,789	19	26	13	4	5	1,856
Balance	\$706,792	\$10,943	\$16,612	\$65,718	\$4,974	\$10,078	\$815,116
Average Balance per Account	\$395	\$576	\$639	\$5,055	\$1,243	\$2,016	\$439

Proposed Budget Document

1. Question: Page 4-8 “>=90% of unplanned outages responded to with 4 hours”. First, 4 hours seems like a lot of time depending on what “responded to” means. Second, on one of the issues, there is no indication if the target was met or not. NWN has a much shorter response time.

Answer: The presentation on page 4-8 was missing regarding the unplanned outages performance measure. The document should have noted that 100% of the unplanned outages were responded to within 4 hours. We will update this results in the next iteration of the 2021-23 Biennial Budget.

Revising the District’s current performance measurements is a priority for management. The Proposed 2021-23 Biennial Budget includes resources to update/revise the District’s mission, vision, and values. Management anticipates this update/revision will provide better definitions for the performance measures and ensure the service levels match the District’s stated goals.

2. Question: Page 4-10, Untilmate statement. Why was the target not met?

Answer: The District revised its operating protocols to comply with the work requirements of COVID-19. These changes delayed completing some of the identified corrective actions within the time identified by the Safety Committee as its goal. The District balanced its risk of COVID with the corrective actions. All corrective actions are tracked by the risk management coordinator and will be implemented as soon as operationally feasible. Critical corrective actions that impacted safety were immediately implemented.

3. Question: Page 5-2, Fourth bullet point, why a debt service reserve? How much?

Answer: The assumptions in the District’s Financial Plan include funding a debt service reserve account using a three-part rule. The assumption on funding the debt service reserve only applies to revenue bonds (excludes WIFIA) and is the minimum of:

- A. The maximum annual debt service for the revenue bond, or
- B. 125% of the average-annual debt service for the revenue bond,

C. 10% of the par amount of the revenue bond.

The question on funding a debt service reserve will be made at the time of issuance based on market conditions and the cost of bond insurance and/or other credit enhancements. But for the purposes of the Financial Plan, the bond issues are sized to fund the reserve using the three-part rule. Also, the Financial Plan includes expected interest earnings on the funds held in a debt service reserve account.

4. Questions: Page 5-8, Shouldn't we flag that rates beyond 2023 are not as sure as the rates in the next two years. There is verbiage in the text, but something on the graph might be appropriate.

Answer: We did not anticipate including the graphic in the presentation. We will look at the ability to add the note (possibly as a footnote-type comment) on the next published iteration of the 2021-23 Biennial Budget.

5. Question: Page 6-7, Is TVWD really going to take WIFIA draw of 25 million in the next 69 days?

Answer: No, the District does not plan to draw money from its WIFIA loan during the current biennium.

This table presents the current biennium budget (i.e., 2019-21) in the "revised budget" column. The "revised budget" is the adopted budget for the 2019-21 budget period with the revisions from the appropriation transfers in April. This presentation format is required by Oregon Local Budget law but does not require the District to take the draw from its WIFIA Loan.

Notwithstanding the figure in the "revised budget column", the District can draw up to \$50 million on its WIFIA Loan by June 30, 2021. Current market interest rates, however, would make a draw from WIFIA uneconomic. (The District could expect to earn 0.20% to 0.30% on its marginal investment return now but would be experiencing capitalized interest charges of 1.35%.) At present, the District will use its cash-on-hand and delay drawing on its WIFIA loan. The decision on when and how much of the WIFIA Loan to draw will be based on cashflow needs and interest rates.

6. Question: Page 7-6, I continue to wonder why there is only one Principal Engineer and that person isn't in Engineering? It is an ongoing question for me.

Answer: The position in question has the TVWD title of "Principal Engineer" and the WWSP title of "Engineering & Construction Manager". This position is an extremely important part of the WWSP's organizational structure and reports directly to the Water Supply Program Director.

7. Question: Page 7-7, Based on what I perceive as the responsibilities of the position of the Emergency Program Coordinator, I think the person belongs in a higher class or two.

Answer: The District applies its grade-review process to ensure positions meet the requirements of the Oregon Equal Pay Act, market conditions, and comparability within the District. The position in question was evaluated on August 7, 2018. The Proposed 2021-23 Budget includes resources to fund a classification/compensation study that will examine the District's current positions for consistency with Oregon law, market conditions, and comparable agencies.

8. Question: Page 9-8, Is \$3,500 for Emergency Planning for two years sufficient?

Answer: The budgeted amount for this account covers the costs of Emergency Operating Center supplies and participation in both internal and regional exercises. Based on spending in the current biennium (i.e., 2019-21), the staff responsible for managing the Emergency Planning account believes that \$3,500 is sufficient.

9. Question: Page 15-14, The seismic upgrade of the headquarters building is beyond 2027. Is that prudent?

Answer: This upgrade was deferred to accommodate the strategic facilities plan which is requested in the Proposed 2021-23 Biennial Budget. Deferring this project also helped the District manage its near-term financial situation. The facilities strategic plan will evaluate the District's goals to meet District's future needs.

10. Question: Page 15-15, Above ground flow control facility. Above ground, located where? That is a pretty complex non-90-degree intersection.

Answer: The Metzger turnout facility will be located at the NW corner of the intersection of SW Hall Blvd and SW Oleson Rd, accessible via the parking lot of the commercial property at that location. Following the safety-by-design methodology, the District specified an above-ground structure to eliminate a confined space entry requirement.

11. Question: Page 15-17, What is the genesis of the corrosion leakage in a pipe that is only 20-years old?

Answer: The existing Cornelius Pass Flow Control Facility piping replacement was accelerated and is being replaced in the current biennium. On inspection, the District's engineers determined that the coating of the existing piping was poorly prepared and poorly applied. In addition, the pipe was poorly fabricated. The District's engineers identified issues with existing welds. These issues are also being corrected.

12. Question: Page 15-19, Isn't there a generator there now?
-

Answer: Currently there is no backup generator at the site. The system uses batteries for backup power. The generator located at the Center Street facility is used to provide electricity to the power grid and is not available as a backup source of power.

13. Question: Page 15-20, Where is this or is there more than one?

Answer: The Water Supply Integration project found that some areas of the West Hills would have the highest water age after the WWSS is online in 2026. The increase in water age is a greater concern considering the planned change of disinfectant from chloramines to free chlorine. Reservoirs and pump stations in this area are potential sites for booster chlorination. Additional analyses will be required to determine optimal locations.

14. Question: Page 15-21, How future is 'future years'?

Answer: The transmission mains improvements are anticipated to be completed after 2040, depending on water demands. The District will require additional transmission capacity to accommodate the full capacity of the Farmington Fluoride & Flow Control Facility.

15. Question: Pages 15-35 and 15-36, Is there some significance to the use of the phrase 'pump station' and 'booster pump station'?

Answer: No, the use of "booster pump station" and "pump station" is being used interchangeably. Typically, a booster pump station refers to a pumping facility that increases pressure within a pressure zone. A pump station generally moves water between pressure zones. These project descriptions will be updated for the next publish iteration of the 2021-2023 Biennial Budget.

16. Question: Page 15-46, Is this likely to be withdrawn in the next decade?

Answer: No. This area can only be withdrawn by the City if the property is annexed to the City. Generally, the annexation only occurs when redevelopment opportunities exist. The area is currently fully developed as single-family residential units. So, it is possible, but unlikely to be annexed.

17. Question: Page 15-47, Is this likely to be withdrawn in the next decade?

Answer: No. This area can only be withdrawn by the City if the property is annexed to the City. Generally, the annexation only occurs when redevelopment opportunities exist. The area is currently fully developed as single-family residential units. So, it is possible, but unlikely to be annexed.

18. Question: Page 15-49, Is this likely to be withdrawn in the next decade?
-

Answer: No. This area can only be withdrawn by the City if the property is annexed to the City. Generally, the annexation only occurs when redevelopment opportunities exist. The area is currently fully developed as single-family residential units. So, it is possible, but unlikely to be annexed.

19. Question: Page 15-78, I thought that we had to install a flag pole for an MIA/POW flag as required by the 2019 legislature. It is in the current budget, but I don't see any work underway so I assume it should be in the 21-23 budget.

Answer: The District is committed to installing a MIA/POW flag when there is new construction or a significant remodel. The District planned to reconfigure the outdoor portion of the main entrance with the lobby remodel. The District postponed that portion of the remodel due to COVID-19 crisis and as a cost savings measure. This item will be added to the Strategic Facilities Plan noted in previous response to Question 9.

20. Question: Page 15-79, what is a snow guard? It is the small piece of angle iron at the lip of the roof to keep snow from hitting the vehicles and people? I was in the Forest Service, where we place them where it snows and didn't use them, but grew up in Southern California.

Answer: Yes, you are correct. The slanted metal roof on the north and south side of the fleet shop does not have that angle iron lip installed to prevent hazards. This project was prompted by last winter's snow/ice accumulation which created a falling ice/snow hazard that damaged some vehicles.

21. Comment: Page 2-14 the summary budget for 2019-21 does not include a \$25 million draw, but the summary budget for the same period on page 6.7 does include it, so the total budget figures on those pages do not match.

Response: That is correct. We will revise Page 2-14 in the next published iteration of the 2021-23 Biennial Budget.

22. Comment: Page 7.5 - the %change figures for M&S are clearly wrong. They all show a 100% decrease, but the budget figures are actually up. I did not notice that flaw on any other budget pages.

Response: That is correct. We will revise Page 7-5 in the next published iteration of the 2021-23 Biennial Budget.

Tualatin Valley Water District



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Tualatin Valley Water District



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Board Work Session Minutes

June 1, 2021

This meeting was held by phone and the internet.

WORK SESSION – 6:03 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; Paul Matthews, Chief Financial Officer; Dave Kraska, PE, Water Supply Program Director; Clark Balfour, General Counsel; Carrie Pak, PE, Chief Engineer; Andrea Watson, Communications and Public Affairs Supervisor; Debbie Carper, District Recorder

ANNOUNCEMENTS

Mr. Hickmann announced the District's updated masking requirements, continual monitoring of potential federal water utility assistance funding for customers and that the next Talkin' Water virtual forum on June 2 will feature backflow prevention (see attached memo).

He asked the Board for input on staff's request to go outside state guidelines regarding the flags flown in the front of District headquarters. Commissioners were fine with flying only the American flag until new flagpoles are installed. There was also the suggestion to fly the pride flag at that future time.

The Commissioners agreed to Mr. Hickmann's request to cancel the July 6 Board work session.

In response to a Commissioner request for more information on why a ductile iron pipe that was installed in 1989 failed due to corrosion, Ms. Pak explained staff's conclusion that the pipe was installed incorrectly and reiterated the goal of enhancing the mains replacement program through asset management program development in the coming biennium. Mr. Hickmann said staff also plans to pursue various funding sources for the mains replacement program.

Mr. Hickmann gave the safety moment on pedestrian safety.

Mr. Hickmann brought up one more announcement regarding the monitoring of Hagg Lake water quality. Ms. Pak said harmful algal bloom (HAB) monitoring and response plans are being followed. The District will not do any additional monitoring unless a HAB affects finished water.

In response to a question, she said that any HAB harmful health effects are caused by bacteria, not algae.

1. DISCUSSION ITEMS

A. Willamette Water Supply System Commission Update. *Staff Report – Dave Kraska*

Mr. Kraska reviewed the WWSS Commission June agenda, the current approvals and procurement forecast and recent Willamette Water Supply Program activities (see attached presentation).

In response to a question about traffic impacts due to the Metzger Pipeline East project, Mr. Kraska said the work will be completed in phases with a trenchless crossing (no impact) to Highway 217. There will be some traffic disruptions on Scholls Ferry Road, but traffic control plans and night work will mitigate impacts.

B. Board Officer and Committee Appointments. *Staff Report – Tom Hickmann*

Mr. Hickmann displayed the current roster of officers and appointments (see attached presentation).

Following discussion, Commissioners will recommend approval at the June 16 regular meeting of the following officer appointments:

- President: Commissioner Sanders
- Vice President: Commissioner Duggan
- Treasurer: Commissioner Bagnall
- Secretary: Commissioner Doane
- Acting Secretary: Commissioner Schmidt

Committee appointments will remain the same with the exception of Commissioner Schmidt replacing Commissioner Doane as the primary attendee of Aloha Business Association monthly meetings.

C. Consultant Selection. *Staff Report – Clark Balfour and Carrie Pak*

Ms. Pak described reasons for hiring consultants, staff's preparations to select consultants and selection process options (see attached presentation). Mr. Balfour outlined the associated legal considerations, criteria used and scoring samples.

In response to questions, staff said:

- Reviewers are chosen for their expertise and/or subjectivity.
- Evaluators have a lot of leeway in scoring broad categories, which leaves no one controlling factor, and all reviewers come together for an in-depth discussion on how each assigned their evaluation points.

- Prior to evaluations, staff describes key considerations to look for during the review process.
- The current evaluation process, including expanded criteria regarding disputes and claims, has been in place since around 2013.

D. Proposed Water Rate Process and Schedule. *Staff Report – Paul Matthews*

Mr. Matthews explained the statutory requirements built into the rate adoption process, additional best practices and staff's proposed process for this summer (see attached presentation). He said staff will request formal approval of the proposed process at the July 21, 2021, regular Board meeting.

ADJOURNMENT

There being no further business, President Bagnall adjourned the meeting at 8:22 p.m.

Bernice Bagnall, President

Todd Sanders, Secretary



MEMO

Date: June 1, 2021

To: TVWD Board of Commissioners

From: Tom Hickmann, CEO

Re: CEO Announcements

The following Announcements will be covered during the work session:

1. **Be Sure to Unmute and Mute** – Just a reminder to please be sure to unmute whenever you are speaking and mute yourself when you are done during the work session this evening.
2. **COVID-19 Update** – The District continues to adapt to the challenges posed by COVID-19 and adhere to the latest guidance. Oregon Health Authority and Oregon OSHA have aligned their recommendations on masking and social distancing for fully vaccinated individuals. As a result, TVWD has updated its requirements and now verifies vaccine status for staff who wish to discontinue masking and social distancing. For the time-being, the District's plan is to continue required masking for customers to avoid verifying vaccine status for people who are in the office for no more than a few minutes.

Additionally, TVWD continues to monitor federal water utility assistance funding in the hopes of offering additional resources for our customers in need of financial assistance with their water bills. Program funding is anticipated at the local level, late September. There is currently utility assistance for those that qualify for the low income rental assistance funding that was recently made available. We are working to make customers aware who may qualify for this assistance.

3. **June Talkin' Water** – As a reminder, TVWD's next Talkin' Water virtual forum event, featuring backflow prevention, will be held June 2nd, at noon. The presentation will be provided by Kahlil Howell, Senior Water Quality Inspector. Registration information is available via the District's website: <https://www.tvwd.org/district/page/talkin-water>.

4. **Flag Guidance** – The Board’s guidance is requested related to the District’s flagpole and flag display. Commissioner Doane has requested that the District fly a POW/MIA flag. Unfortunately, the District’s existing flagpole height does not meet the flag display guidance set forth by the Oregon-Department of Administrative Services. The guidance states that “if it is not possible to fly all three flags simultaneous, the agency body must fly the United States flag and the Oregon State flag.” The referenced three flags include United States, Oregon State, and POW/MIA flags.

TVWD included this matter as part of our facilities plan and anticipated acquiring the required three poles/flags at a future date. Due to the immediate desire to display the POW/MIA flag, a few options are available. The District could easily add this flag to the Board room. Alternatively, the Board could direct staff to immediately fly only the United States and POW/MIA flag outdoors, with the awareness that this would be outside the state guidance. It should be noted that other agencies have done this including the Hillsboro Court House. Staff is requesting that the District not follow state guidelines and be allowed to fly the U.S. flag and the POW/MIA flag instead of the Oregon State flag. While this is a formality, staff believed the Board should be aware and agree with staff to go outside the state guidelines.

5. **Board Communications Log** – There were no updates to the Board communications log this month.
6. **Safety Minute** – I will present tonight’s safety minute.



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Willamette Water Supply Commission Update

TVWD Work Session

June 1, 2021

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Outline

**Review June WWSS
Commission Board
Meeting Agenda**



**Review Approvals and
Procurements Forecast**



**Update on WWSP
Activities**

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REVIEW JUNE WWSS COMMISSION BOARD MEETING AGENDA

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Willamette Water Supply System Commission June 3, 2021 Board Meeting Agenda

1. Executive Session
2. General Manager's Report
3. Public Comment
4. Consent Agenda
 - A. Approve the May 6, 2021 meeting minutes
5. Business Agenda
 - A. Approve PLM_1.3 BPA Reimbursement Agreement
 - B. Approve WWSP Program and Construction Management Services FY2022 Annual Work Plan
 - C. Adopt FY21-22 WWSS Board Meeting Schedule
6. Information Items
 - A. Planned July Business Agenda items

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REVIEW APPROVALS AND PROCUREMENTS FORECAST

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Approvals and Procurement Forecast for May 2021 – August 2021

Program Baseline or Related Plans

Description	Program Director	WWSS Management Committee	WWSS Commission Board
WWSP Annual Baseline or Related Plans	NA	NA	NA

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Approvals and Procurement Forecast for May 2021 – August 2021

Real Estate

Description	Program Director	WWSS Management Committee	WWSS Commission Board
PLM_1.3 Resolution of Need	NA	4/22/2021	5/6/2021
PLM_1.3 Resolution of Need (1 st supplemental)	NA	7/22/2021	8/5/2021
MPE_1.2 Resolution of Need (3 rd supplemental)	NA	7/22/2021	8/5/2021

Approvals and Procurement Forecast for May 2021 – August 2021

IGAs, MOUs, Permit Commitments

Metro and City of Hillsboro

- Settlement Agreement For Easement Through the Orenco Woods Nature Park (May)

City of Sherwood

- DCS_1.0 Broadband Services IGA (April)

W-4, LLC

- PLM_1.3 Settlement Agreement (July)

Bonneville Power Administration

- PLM_1.3 Reimbursement Agreement (June)

Washington County Land Use & Trans

- PLM_4.2 Design IGA Amendment 2 (April)
- PLM_4.2 Design IGA Amendment 3 (July)
- PLM_4.1 Design IGA Amendment 3 (May)
- PLM_4.1 Construction IGA (May)
- RES_1.0 Grabhorn Road Realignment IGA (July)
- PLM_4.4 Design IGA Amendment 1 (July)
- PLM_4.4 Construction IGA (August)
- PLW_1.2 Construction IGA (August)

Approvals and Procurement Forecast for May 2021 – August 2021

Contracts

Title	Goal	Value	Key Dates
MPE_1.2/COB_1.2 Construction Contract	Construct MPE_1.2 and COB_1.2 pipeline project	\$54.6M	WWSS Board Approval: 5/6/2021

Approvals and Procurement Forecast for May 2021 – August 2021

Contract Amendments and Change Orders*

Title	Goal	Value	Key Dates
WWSP Program and Construction Management Services FY 2022 Annual Work Plan	Approve scope, staffing, and fee for program and construction management services for FY 2022	\$17.8M	WWSS Board Approval: 6/3/2021

*having values higher than the Program Director's authority

Approvals and Procurement Forecast for May 2021 – August 2021

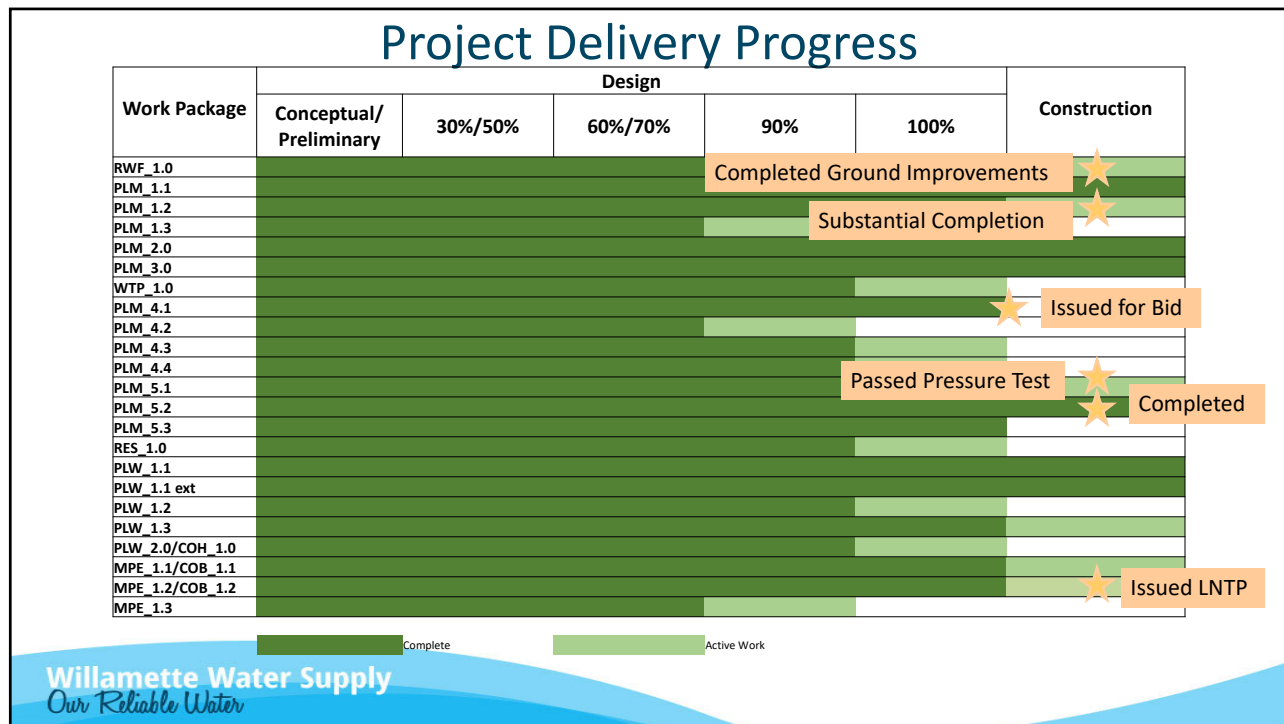
Local Contract Review Board Rule Exemption

Title	WWSS Management Committee Approval	WWSS Board Informational Item	WWSS Board Consider Approval
None in this time period	--	--	--

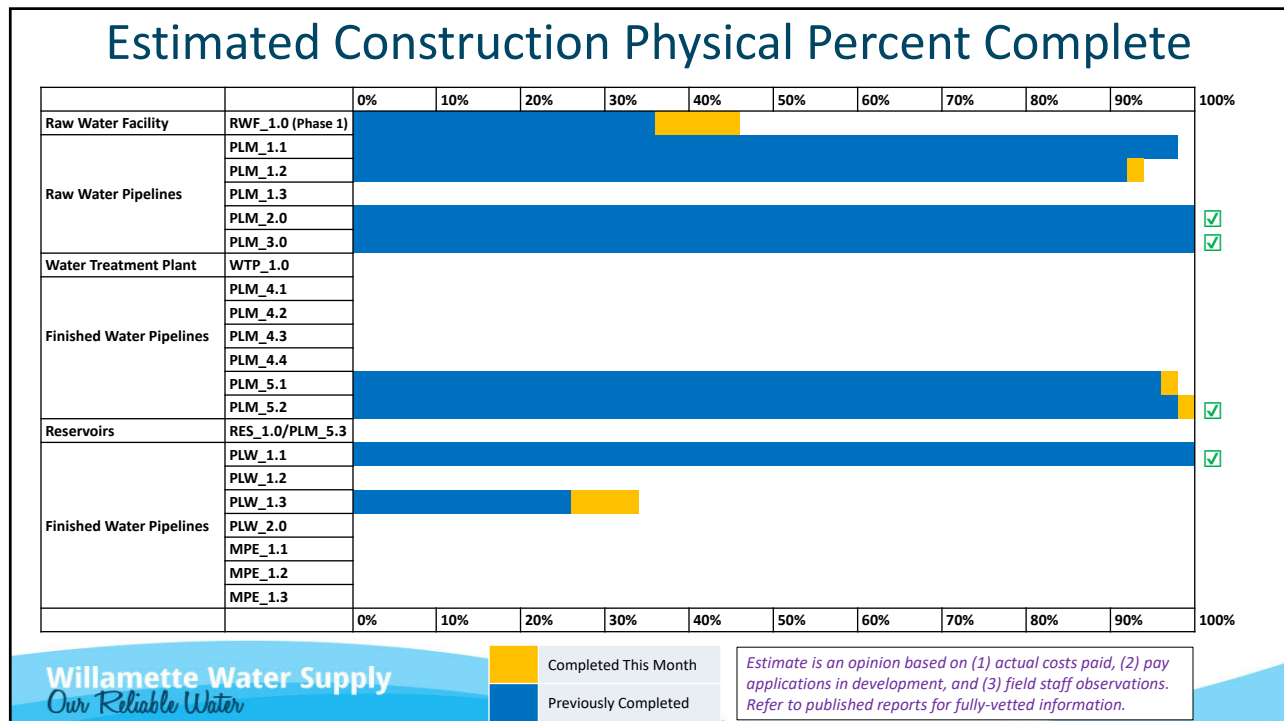
11

UPDATE ON WWSP ACTIVITIES

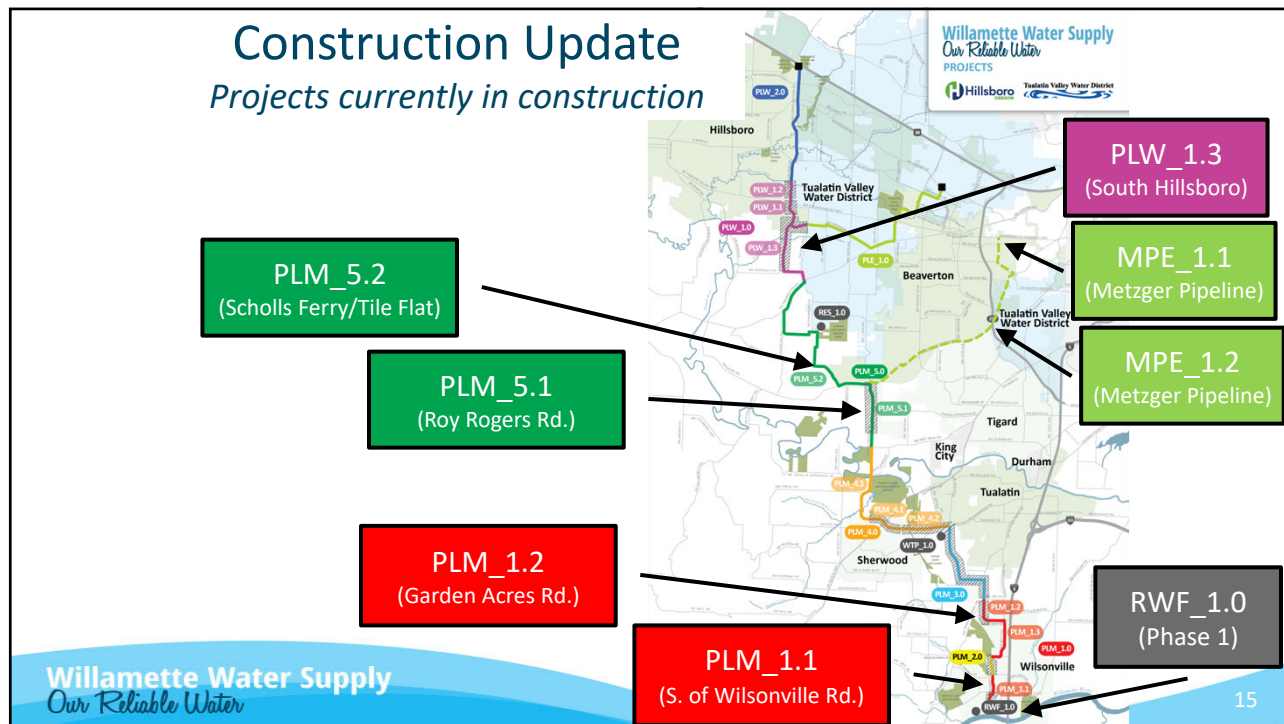
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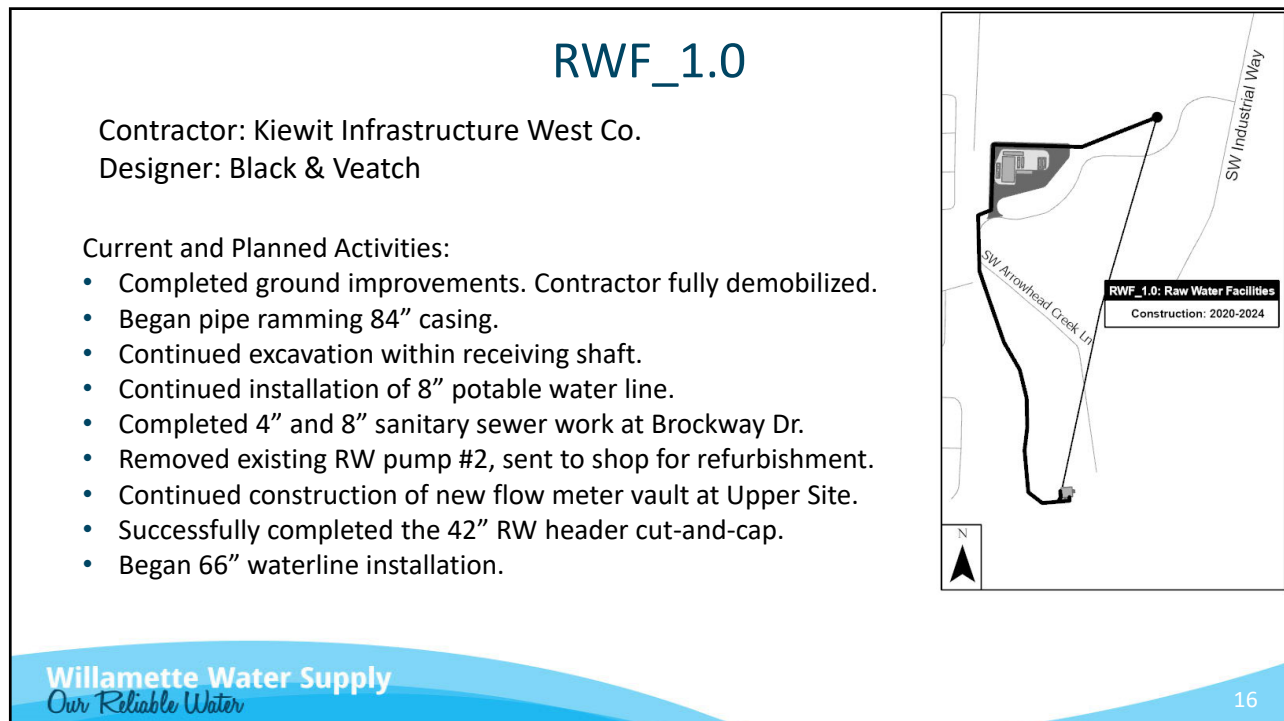
13



14



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Construction Photos – RWF_1.0

Cap over
Deep Soil Mix
Columns,
access road
backfill



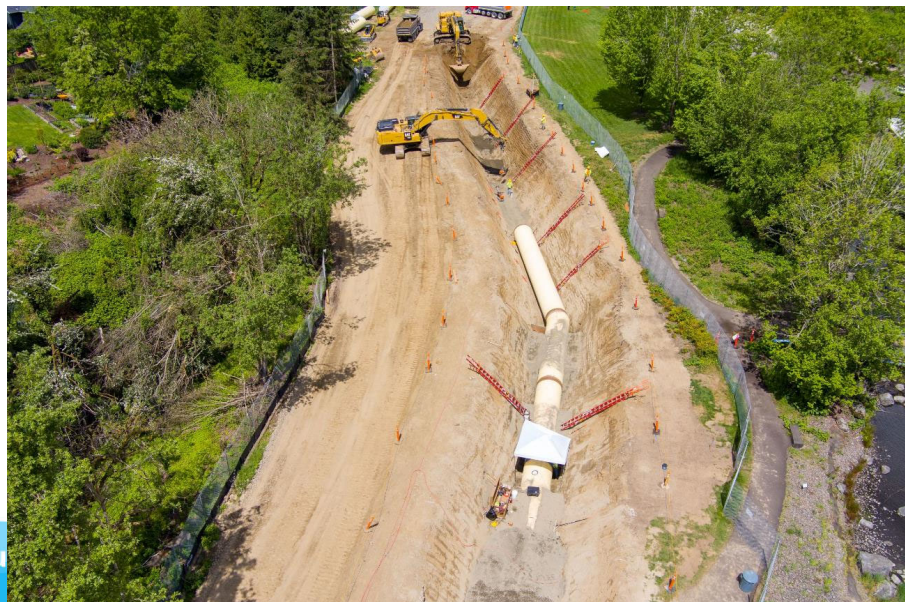
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Construction Photos – RWF_1.0

66" Raw Water
pipeline
installation
through park



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Construction Photos – RWF_1.0

Upper Site
pipe ram
casing
staging



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Construction Photos – RWF_1.0

Pipe Ram
operation
in progress



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Construction Photos – RWF_1.0

Raw Water Pump
Station shutdown
and 42" header
removal



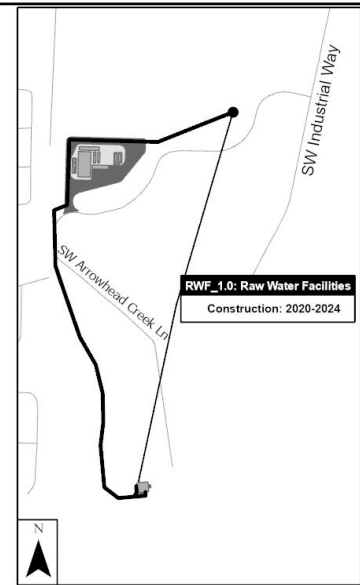
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RWF_1.0 Notable Topics

- External Coordination
 - Continued coordination w/City of Wilsonville and Veolia Operations staff.
 - Continued coordination with nearby neighbors and public regarding noise and vibration.
 - Coordinating traffic and access issues with 5th and Kinsman Road Project
- Potential Claims
 - Differing site condition notice from Condon-Johnson on soil properties at DSM and jet grouting areas
- Delivery Challenges
 - None



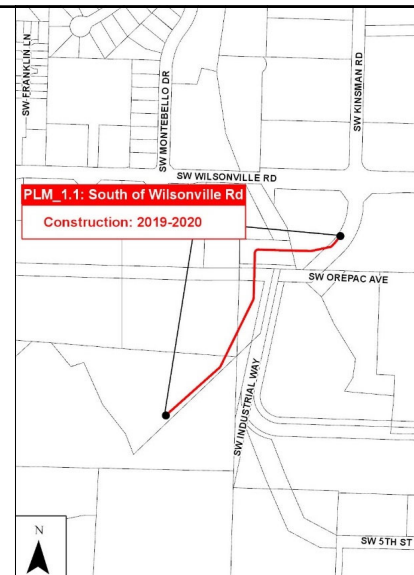
23

PLM_1.1

Contractor: James W. Fowler Co.
Designer: HDR

Current and Planned Activities:

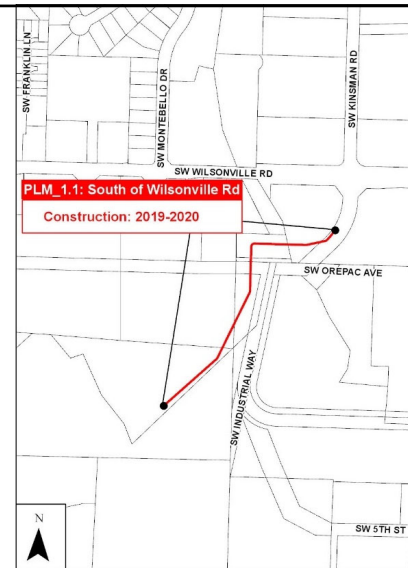
- Punch list items complete.
- Additional work required in drainage swale by City. Scheduled for late May / early June.



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PLM_1.1 Notable Topics

- External Coordination
 - None
- Potential Claims
 - None
- Delivery Challenges
 - Settlement of Boulder PCO
 - Completion of additional landscaping



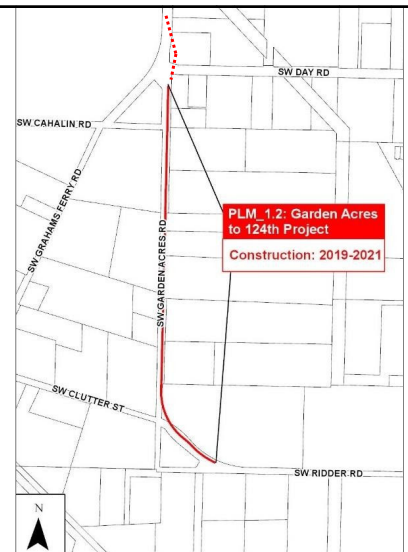
25

PLM_1.2

Partner: City of Wilsonville
Contractor: Moore Excavation Inc.
Designer: HDR

Current and Planned Activities:

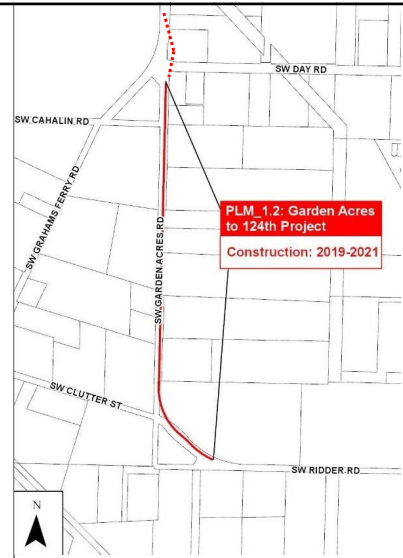
- Completion of hydroseeding north of Day Rd.
- Final deficiency / punchlist list issued April 28th
- Substantial Completion granted for April 29th
- Final deficiency / punchlist corrective items currently underway



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PLM_1.2 Notable Topics

- Partner Coordination
 - Ongoing coordination with City of Wilsonville
- Potential Claims
 - None
- Delivery Challenges
 - None



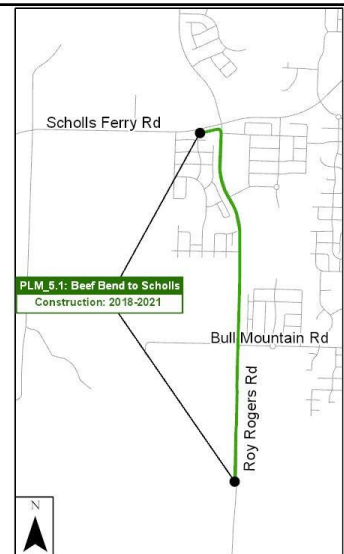
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PLM_5.1

Partner: Washington Co.
Contractor: Tapani, Inc.
(Moore Excavation Inc. – Waterline Sub)
Designer: Jacobs

Current and Planned Activities:

- Continued installation of cathodic protection systems, CARV vault assemblies and access vaults
- Tigard Turnout vault construction
- Mainline pressure testing completed, and disinfection planned for late May



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Construction Photos – PLM_5.1

Flying in top of backflow
preventer vault for Tigard
Turnout at Friendly Ln.



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Construction Photos – PLM_5.1

Forms and reinforcing in
place for concrete collar pour
at Sta. 745+60 Access Vault



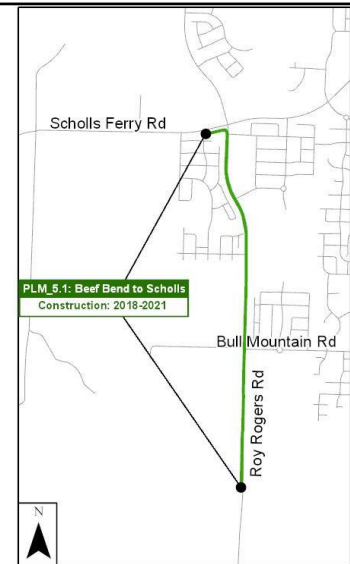
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PLM_5.1 Notable Topics

- Partner Coordination
 - Continued developer coordination
 - No issues with Washington County coordination
- Potential Claims
 - None
- Delivery Challenges
 - None



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PLM_5.2

Contractor: Emery & Sons
Designer: Jacobs

Current and Planned Activities:

- Administrative closeout items
- Final payment request submitted



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PLM_5.2 Notable Topics

- External Coordination
 - No issues
- Potential Claims
 - None
- Delivery Challenges
 - None

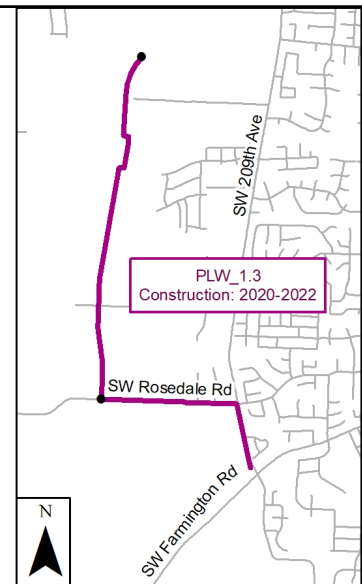


PLW_1.3

Contractor: Tapani, Inc.
Designer: Kennedy/Jenks

Current and Planned Activities:

- Approximately 3200 feet of 30-inch pipe installed along SW Rosedale Rd and SW 209th Ave. (78% complete)
- Approximately 50 ft of 66-inch pipe was installed across Rosedale Rd.
- Delivery and staging of 66-inch pipe ongoing
- SW Rosedale Rd. paving complete. Road opened.
- Microtunnelling to begin week of May 24th
- SW 209th road closure schedule for weekend of June 4-6



Construction Photos – PLW_1.3

First segment of 66-inch pipe for installation on SW Rosedale Rd.



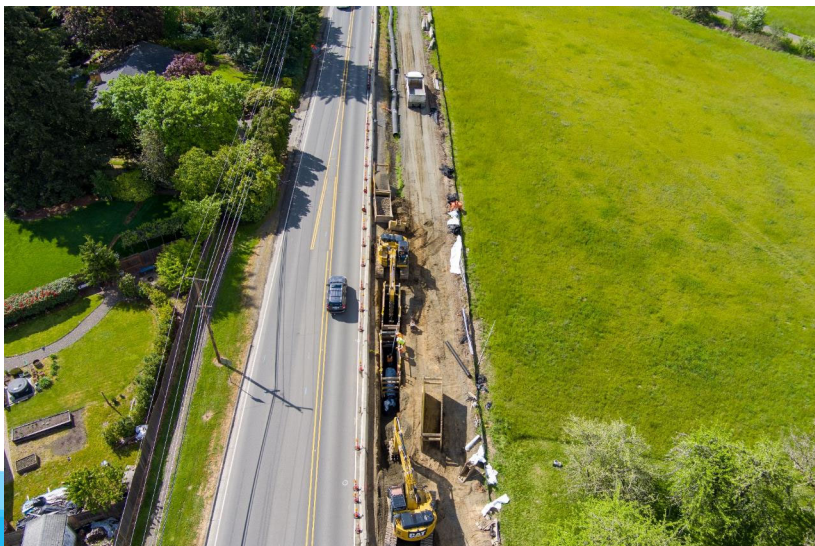
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Construction Photos – PLW_1.3

30-inch pipe installation along SW 209th Ave.



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Construction Photos – PLW_1.3

Pavement restoration on
Rosedale Rd.



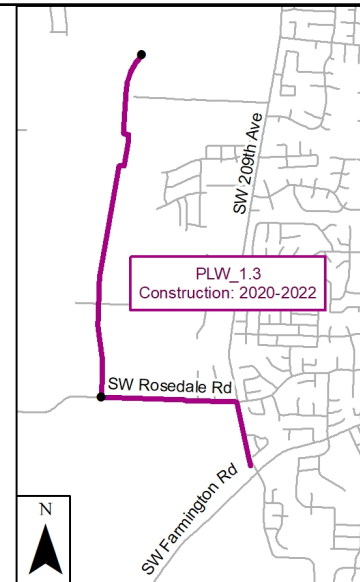
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PLW_1.3 Notable Topics

- External Coordination
 - Neighborhood/resident outreach
 - Coordinating with TVWD at the Farmington/209th site
- Potential Claims
 - None
- Delivery Challenges
 - None



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QUESTIONS

Willamette Water Supply
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Board Officer and Committee Appointments

Tom Hickmann

Chief Executive Officer

Tualatin Valley Water District

Delivering the Best Water  Service  Value

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Board Officer and Committee Appointments

Effective July 15, 2020 for Fiscal Year 2020-21

Board Officers	Commissioner				
	Bagnall	Doane	Duggan	Sanders	Schmidt
President (consecutive three-year term limit)	Third Term*				
Vice President					Third Term*
Treasurer			Fourth Term*		
Secretary				Third Term*	
Acting Secretary		Fourth Term*			
Internal Committees					
Budget Committee	Member	Member	Member	Member	Member
Policy and Board Development Committee	Member		Member		
Water Supply Committee		Member		Member	
Strategic Planning Committee		Member		Member	
Finance Committee and Audit Committee	Member		Member		
External Committees					
Willamette River Water Coalition Board		Alternate		Primary	
Willamette Intake Facilities Commission Board		Primary			Alternate
Willamette Water Supply System Commission Board			Primary		Alternate
Joint Water Commission	Alternate	Backup			Vice Chair**
Barney Joint Ownership Commission	Alternate				Vice Chair
Regional Water Providers Consortium Board/Executive Committee			Primary		Alternate
Aloha Business Association		Primary			
Washington County Public Affairs Forum (event attendance)				Alternate	Primary
Westside Economic Alliance (event attendance)	Primary	Alternate			

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Engineering Consultant Selection

Clark Balfour / Carrie Pak, P.E.

Tualatin Valley Water District


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Agenda

- Why are consultants used?
- How do we select consultants?
- Questions and feedback

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Top 10 Reasons for Hiring Consultants

10. Hired to influence other people / assist decision-makers
9. Hired to create new business
8. Hired to bring new life to an organization
7. Hired to do the “dirty work”
6. Hired to teach
5. Hired to provide desired objectivity
4. Hired as a catalyst for change
3. Hired to supplement / augment staff capabilities
2. Hired to identify problems
1. Hired for their expertise



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Prior to hiring consultants

- Make sure you need one
- Request for Proposal
 - Scope of work: clear understanding of what needs to be accomplished
 - Project schedule
 - Project budget
- Selection Criteria
- Interviews
- References

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Selection Processes

- Anticipated consulting fee
 - <\$100,000 (potential to hire directly)
 - >\$100,000 < \$250,000 (required to have a process for selection)
 - >\$250,000 (individual project RFQ)
- Anticipated scope
- Partnering considerations
- On-call consultant selection (list updated every few years)
- Request for Qualifications (project specific)
- Direct hire

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Legal Considerations

- ORS 279C.100-125 Qualification Based Selection (QBS)
 - A/E, Photogrammatic Mapping, Transportation Planning, Surveying
 - "Related Services"- Not QBS
 - Construction management
 - Owner's representative/project management
 - Land use consulting
 - Appraisal services
 - Environmental permitting
 - Price is considered in selection

Legal Considerations

- QBS Process (ORS 279C.110)
 - Selection based on qualifications only
 - Price submittal and evaluation after selection
 - Negotiation with top proposer
 - Proceed to 2nd ranked only if at impasse
 - Proposals not subject to inspection until contract executed
 - Subject to usual exemptions for confidential proprietary information

Legal Considerations

- ORS 279C.110 allows us to consider:
 - Experience and technical competence
 - Proposed approach and methodology
 - Available resources for timely completion
 - Record of past performance
 - Price, quality of work, timeliness, contract administration
 - Ownership status
 - Non-discrimination and M/W/D/ESB
- TVWD Local Contract Review Board Rules (Division 300)

Legal Considerations

- Selection Process and RFQ
 - Must state in RFQ:
 - Screening and selection criteria
 - Method to evaluate
 - Identification of evaluation factors
 - Weight or points assigned to factors
 - Our estimate of cost or budget for project
 - Sufficiently developed scope to allow responsive proposal
- Review Proposals, Score and Announce Ranking
- Request Pricing (top 3)

Legal Considerations

- Price proposal includes:
 - Schedule of rates per person or classification
 - Estimate of hours
 - Description of tasks and allocation of hours
 - List of persons performing services and classification or rates
 - Expenses and out of pocket costs
 - Irrevocable for 90 days
- Negotiate to fair and reasonable price with top candidate
- Proceed to 2nd ranked if impasse with top candidate
 - No concurrent negotiation

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Legal Considerations

- TVWD LCRB Additional Considerations
 - Division 300 follows ORS 279C.100 to .125
 - Division 300-140 Contracts Above \$250,000
 - Subsection 4 - Record of Integrity and Honesty
 - Proposer and any affiliate
 - Two-way control test
 - "Intimate business relationship"
 - "Significant integrated financial and management control "
 - "Reasonable to impute knowledge"
 - Triggers disclosure (for selection)
 - On-going reporting requirement if selected

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Criteria

Cover Letter	0
Qualifications of Firm <ul style="list-style-type: none"> • Overall description of relevant project experience • List of projects of similar nature • Specific roles of the proposed project team in those projects • Key project components, risks, duration of design, duration of construction, change order amount, other key project components • Dates and other owner's contract information • Information related to disputes or claims during the past 5 years, including the nature of the disputes and results 	30
Qualifications of Key Staff <ul style="list-style-type: none"> • Organizational chart with project roles • Description of expertise for key staff • Identification of the project manager and key design/task engineers • Resumes 	30

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Criteria

Project Approach and Understanding <ul style="list-style-type: none"> • Key components of the design and project approach to complete project scope • Proposed schedule • Identification of critical tasks • Public involvement, permitting, land use, stakeholder involvement in schedule 	40
Proposer Certifications and Representations	0
Total	100

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Criteria

Example:

Project Name: RFP-0300818 Water Supply Integration

RFP-RWF-0300318 CM/GC	Maximum Points (100)	Respondents	
		Respondent #1	Respondent #2
4.05 Firm Experience and Qualifications	20	19	19
4.06 Key Staff Qualifications and Team Organization	30	25	23
4.08 Project Understanding & Approach	50	46	41
Total	100	90	83

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Criteria

Example:

Project Name: RFP-WTP-0200318 WTP 1.0 Design, GMP Development and SDCs

4.04 Firm Experience and Qualifications	Max Points 20	Respondent #1	Respondent #2	Respondent #3	Respondent #4
Reviewer 1		20	15	16	20
Reviewer 2		17	18	18	19
Reviewer 3		20	15	16	20
Reviewer 4		18	20	16	16
Reviewer 5		12	10	14	10
Average		17	16	16	17

4.05 Key Staff Qualifications and Team Organization	Max Points 30	Respondent #1	Respondent #2	Respondent #3	Respondent #4
Reviewer 1		25	23	24	28
Reviewer 2		22	26	24	29
Reviewer 3		20	20	20	25
Reviewer 4		25	21	16	23
Reviewer 5		24	20	16	20
Average		23	22	20	25

4.06 Project Understanding and Approach	Max Points 50	Respondent #1	Respondent #2	Respondent #3	Respondent #4
Reviewer 1		48	43	44	50
Reviewer 2		44	43	40	45
Reviewer 3		45	45	42	45
Reviewer 4		40	42	35	40
Reviewer 5		44	30	40	40
Average		44	41	40	44

TOTAL AVERAGE SCORE	85	78	76	86
TOTAL SCORE	84	79	76	86

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Criteria

- "Information related to disputes or claims within the last 5 years, including the nature of disputes and results"
- "Dates and other owners contact information"
- Purpose: all claims or disputes
 - Clear description and discussion
 - How resolved
 - Owner's rep for verification

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Criteria

- Issues:
 - 5 years: too long or too short?
 - Size and complexity of project is a factor
 - Staleness/change of circumstances
 - Disputes or claims: broad
 - Not limited to formal proceedings
 - How resolved and specificity
 - Project level/executive level/mediation/litigation
 - Ability to fact check
 - Candor or fear factor of project reference checks
 - Confidentiality requirement (mediation or settlement agreement)

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Proposed Water Rate Adoption Process

Paul L. Matthews
Chief Financial Officer

Tualatin Valley Water District
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Overview of Presentation

Tonight's Discussion

- Requirements for adjusting water rates
- Proposed schedule of activities

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Requirements for Adjusting Water Rates

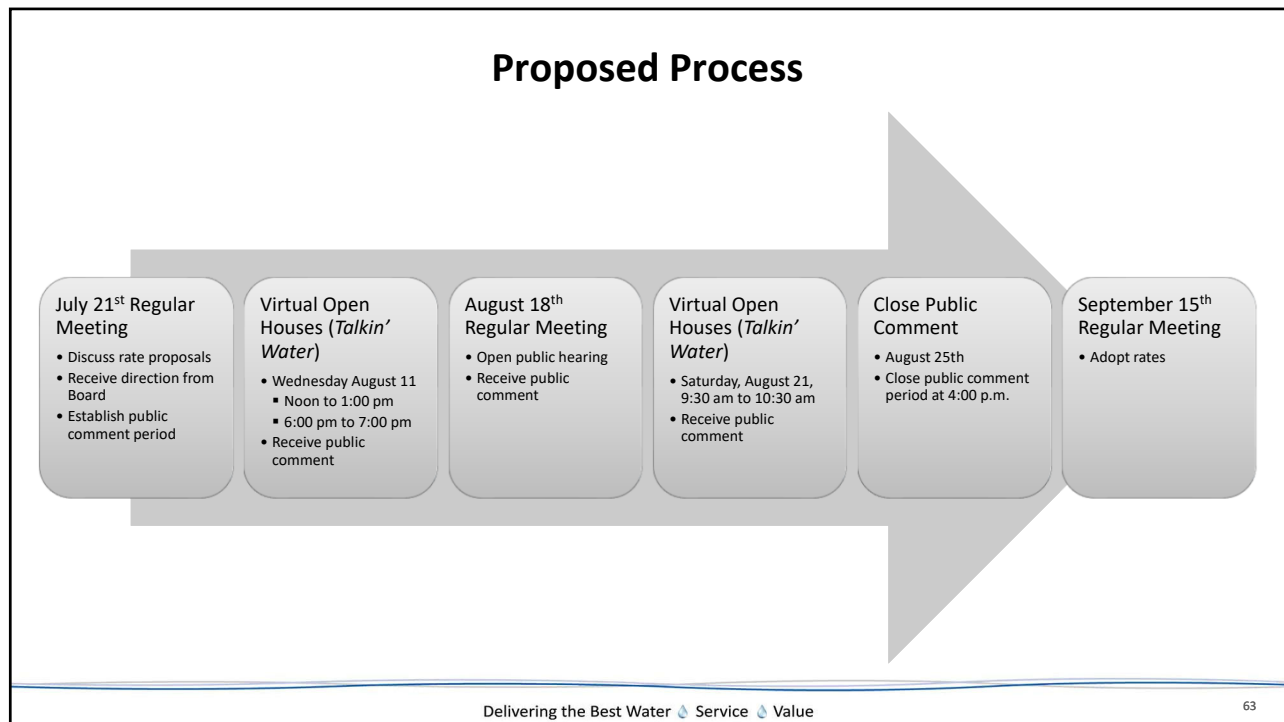
Absolute Requirements

- Mail post card to customers notifying them of public hearing when rate adjustments will be considered
- Hold public hearing

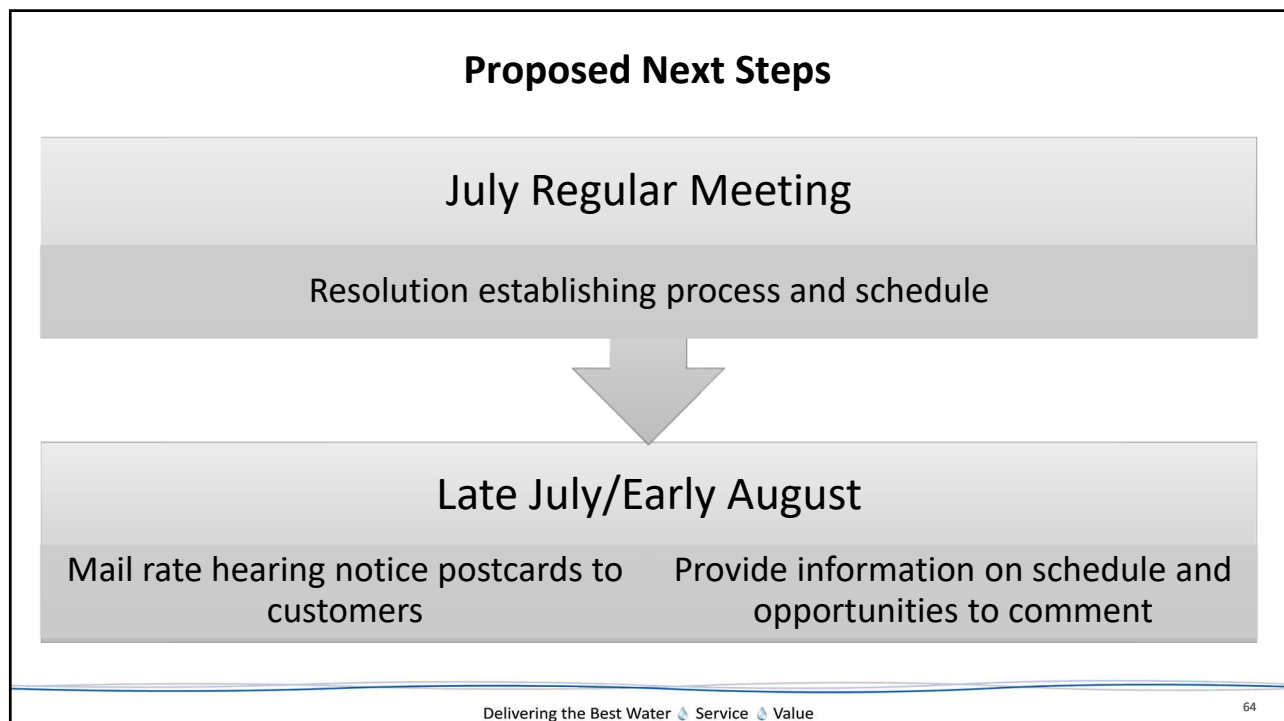
Best Practices

- Open houses to inform customers of basis for rate adjustments
- Easier way for customers to provide comments to the Board that are include in public record

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Discussion, Questions, and Answers

Proposed Water Rate Adoption Process

Paul L. Matthews
Chief Financial Officer



Tualatin Valley Water District



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To: Board of Commissioners

From: Tom Hickmann, PE, Chief Executive Officer

Date: June 16, 2021

Subject: Certification of Election Results

Requested Board Action:

Consider authorizing the Board President to sign the certification of election results for the May 18, 2021 Regular District Election.

Key Concepts:

- Commissioners Bagnall, Duggan and Schmidt were reelected to office, effective July 1, 2021.
- The District must certify election results in Washington and Multnomah Counties by July 2, 2021.

Background:

In accordance with Oregon Revised Statute 255.295, the District must review and sign off on the abstract of votes for the Regular District Election held on May 18, 2021. The election resulted in the reelection of the following individuals to the Board of Commissioners:

- Position 1: Bernice Bagnall
- Position 2: Dick Schmidt
- Position 3: Jim Duggan

Given the current virtual Board meeting schedule, staff is considering options for administering the oaths of office for all three returning Commissioners.

Budget Impact:

None

Staff Contact Information:

Tom Hickmann, PE; Chief Executive Officer; 503-848-3088; tom.hickmann@tvwd.org

Attachments:

Ballots Cast per Contest with Precincts report – Washington County
Precinct Results report – Multnomah County

Management Staff Initials:

Chief Executive Officer	GRH	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	CB	Water Supply Program Director	N/A

Ballots Cast per Contest with Precincts
Washington County, 2021 Special District - May 18, 2021
All Precincts, All Districts, All ScanStations, All Contests, All Boxes

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Official Election Results

Total Ballots Cast: 92431, Registered Voters: 385733, Overall Turnout: 23.96%

Tualatin Valley Water District, Commissioner, Position 1 (Vote for 1)

Precinct	Ballots Cast	Reg. Voters	Total Votes	Bernice Bagnall	Write-in	Over Votes	Under Votes
Precinct 302	508	2804	304	298 98.03%	6 1.97%	0	204
Precinct 303	137	788	75	75 100.00%	0 0.00%	0	62
Precinct 304	650	3733	393	384 97.71%	9 2.29%	0	257
Precinct 306	148	818	105	104 99.05%	1 0.95%	0	43
Precinct 309	14	99	13	12 92.31%	1 7.69%	0	1
Precinct 313	4	5	1	1 100.00%	0 0.00%	0	3
Precinct 315	1	1	1	1 100.00%	0 0.00%	0	0
Precinct 319	1578	8609	1064	1046 98.31%	18 1.69%	0	514
Precinct 320	648	3512	437	431 98.63%	6 1.37%	0	211
Precinct 322	0	5	0	0 0.00%	0 0.00%	0	0
Precinct 325	1	3	1	1 100.00%	0 0.00%	0	0
Precinct 327	0	1	0	0 0.00%	0 0.00%	0	0
Precinct 331	629	3212	429	424 98.83%	5 1.17%	0	200
Precinct 332	420	3525	315	304 96.51%	11 3.49%	0	105
Precinct 333	648	5642	512	508 99.22%	4 0.78%	0	136
Precinct 349	545	3487	373	365 97.86%	8 2.14%	0	172
Precinct 351	518	3855	373	364 97.59%	9 2.41%	0	145
Precinct 353	319	898	218	216 99.08%	2 0.92%	0	101
Precinct 355	863	3984	600	594 99.00%	6 1.00%	0	263
Precinct 356	402	2437	269	261 97.03%	8 2.97%	0	133
Precinct 357	357	1973	242	240 99.17%	2 0.83%	0	115
Precinct 360	625	4073	456	453 99.34%	3 0.66%	0	169
Precinct 362	1182	4226	787	786 99.87%	1 0.13%	0	395
Precinct 363	1067	4122	699	693 99.14%	6 0.86%	0	368
Precinct 364	1547	5427	936	927 99.04%	9 0.96%	0	611
Precinct 365	1102	3365	665	661 99.40%	4 0.60%	0	437
Precinct 366	309	1907	200	198 99.00%	2 1.00%	0	109
Precinct 367	1369	5129	927	917 98.92%	10 1.08%	0	442
Precinct 368	1235	4740	802	797 99.38%	5 0.62%	0	433
Precinct 369	516	2212	310	307 99.03%	3 0.97%	0	206
Precinct 370	664	2603	452	451 99.78%	1 0.22%	0	212
Precinct 371	823	2651	557	555 99.64%	2 0.36%	0	266
Precinct 372	301	901	206	203 98.54%	3 1.46%	0	95
Precinct 374	7	12	4	4 100.00%	0 0.00%	0	3
Precinct 375	65	321	54	53 98.15%	1 1.85%	0	11
Precinct 376	672	2262	440	435 98.86%	5 1.14%	0	232
Precinct 377	878	2651	595	592 99.50%	3 0.50%	0	283
Precinct 381	52	264	35	35 100.00%	0 0.00%	0	17
Precinct 382	444	3172	333	328 98.50%	5 1.50%	0	111
Precinct 384	1066	3579	681	674 98.97%	7 1.03%	0	385
Precinct 387	0	11	0	0 0.00%	0 0.00%	0	0
Precinct 388	9	75	7	7 100.00%	0 0.00%	0	2
Precinct 390	764	2599	548	545 99.45%	3 0.55%	0	216
Precinct 391	7	50	7	7 100.00%	0 0.00%	0	0
Precinct 392	18	142	16	16 100.00%	0 0.00%	0	2
Precinct 398	520	2038	326	323 99.08%	3 0.92%	0	194
Precinct 399	529	2878	375	368 98.13%	7 1.87%	0	154
Precinct 400	993	4756	593	587 99.99%	6 1.01%	0	400
Precinct 401	668	2081	415	413 99.52%	2 0.48%	0	253
Precinct 403	418	1665	259	258 99.61%	1 0.39%	0	159
Precinct 407	679	2194	437	436 99.77%	1 0.23%	0	242
Precinct 409	5	74	3	3 100.00%	0 0.00%	0	2
Precinct 412	605	2223	349	342 97.99%	7 2.01%	0	256
Precinct 421	37	134	24	24 100.00%	0 0.00%	0	13
Precinct 429	682	3721	406	400 98.52%	6 1.48%	0	276
Precinct 434	960	4515	614	609 99.19%	5 0.81%	0	346
Precinct 439	335	2065	224	220 98.21%	4 1.79%	0	111
Total	29543	134229	19467	19256 98.92%	211 1.08%	0	10076

Ballots Cast per Contest with Precincts
 Washington County, 2021 Special District - May 18, 2021
 All Precincts, All Districts, All ScanStations, All Contests, All Boxes
 Official Election Results

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Total Ballots Cast: 92431, Registered Voters: 385733, Overall Turnout: 23.96%

Tualatin Valley Water District, Commissioner, Position 2 (Vote for 1)

Precinct	Ballots Cast	Reg. Voters	Total Votes	Dick Schmidt	Write-in	Over Votes	Under Votes
Precinct 302	508	2804	298	293 98.32%	5 1.68%	0	210
Precinct 303	137	788	71	71 100.00%	0 0.00%	0	66
Precinct 304	650	3733	378	368 97.35%	10 2.65%	0	272
Precinct 306	148	818	94	93 98.94%	1 1.06%	0	54
Precinct 309	14	99	13	12 92.31%	1 7.69%	0	1
Precinct 313	4	5	1	1 100.00%	0 0.00%	0	3
Precinct 315	1	1	1	1 100.00%	0 0.00%	0	0
Precinct 319	1578	8609	1001	983 98.20%	18 1.80%	0	577
Precinct 320	648	3512	412	401 97.33%	11 2.67%	0	236
Precinct 322	0	5	0	0 0.00%	0 0.00%	0	0
Precinct 325	1	3	1	1 100.00%	0 0.00%	0	0
Precinct 327	0	1	0	0 0.00%	0 0.00%	0	0
Precinct 331	629	3212	399	394 98.75%	5 1.25%	0	230
Precinct 332	420	3525	294	281 95.58%	13 4.42%	0	126
Precinct 333	648	5642	475	466 98.11%	9 1.89%	0	173
Precinct 349	545	3487	356	344 96.63%	12 3.37%	0	189
Precinct 351	518	3855	353	342 96.88%	11 3.12%	0	165
Precinct 353	319	898	210	206 98.10%	4 1.90%	0	109
Precinct 355	863	3984	561	555 98.93%	6 1.07%	0	302
Precinct 356	402	2437	252	243 96.43%	9 3.57%	0	150
Precinct 357	357	1973	228	225 98.68%	3 1.32%	0	129
Precinct 360	625	4073	426	420 98.59%	6 1.41%	0	199
Precinct 362	1182	4226	731	726 99.32%	5 0.68%	0	451
Precinct 363	1067	4122	651	642 98.62%	9 1.38%	0	416
Precinct 364	1547	5427	886	873 98.53%	13 1.47%	0	661
Precinct 365	1102	3365	613	609 99.35%	4 0.65%	0	489
Precinct 366	309	1907	180	179 99.44%	1 0.56%	0	129
Precinct 367	1369	5129	889	878 98.76%	11 1.24%	0	480
Precinct 368	1235	4740	760	751 98.82%	9 1.18%	0	475
Precinct 369	516	2212	287	284 98.95%	3 1.05%	0	229
Precinct 370	664	2603	413	412 99.76%	1 0.24%	0	251
Precinct 371	823	2651	527	524 99.43%	3 0.57%	0	296
Precinct 372	301	901	185	184 99.46%	1 0.54%	0	116
Precinct 374	7	12	2	2 100.00%	0 0.00%	0	5
Precinct 375	65	321	51	50 98.04%	1 1.96%	0	14
Precinct 376	672	2262	405	397 98.02%	8 1.98%	0	267
Precinct 377	878	2651	569	566 99.47%	3 0.53%	0	309
Precinct 381	52	264	33	33 100.00%	0 0.00%	0	19
Precinct 382	444	3172	325	318 97.85%	7 2.15%	0	119
Precinct 384	1066	3579	627	613 97.77%	14 2.23%	0	439
Precinct 387	0	11	0	0 0.00%	0 0.00%	0	0
Precinct 388	9	75	7	7 100.00%	0 0.00%	0	2
Precinct 390	764	2599	534	529 99.06%	5 0.94%	0	230
Precinct 391	7	50	7	7 100.00%	0 0.00%	0	0
Precinct 392	18	142	14	13 92.86%	1 7.14%	0	4
Precinct 398	520	2038	310	303 97.74%	7 2.26%	0	210
Precinct 399	529	2878	345	340 98.55%	5 1.45%	0	184
Precinct 400	993	4756	546	537 98.35%	9 1.65%	0	447
Precinct 401	668	2081	387	385 99.48%	2 0.52%	0	281
Precinct 403	418	1665	238	236 99.16%	2 0.84%	0	180
Precinct 407	679	2194	399	397 99.50%	2 0.50%	0	280
Precinct 409	5	74	3	2 66.67%	1 33.33%	0	2
Precinct 412	605	2223	319	314 98.43%	5 1.57%	0	286
Precinct 421	37	134	24	24 100.00%	0 0.00%	0	13
Precinct 429	682	3721	388	383 98.71%	5 1.29%	0	294
Precinct 434	960	4515	590	582 98.64%	8 1.36%	0	370
Precinct 439	335	2065	205	204 99.51%	1 0.49%	0	130
Total	29543	134229	18274	18004 98.52%	270 1.48%	0	11269

Ballots Cast per Contest with Precincts
Washington County, 2021 Special District - May 18, 2021
All Precincts, All Districts, All ScanStations, All Contests, All Boxes
Official Election Results

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Total Ballots Cast: 92431, Registered Voters: 385733, Overall Turnout: 23.96%

Tualatin Valley Water District, Commissioner, Position 3 (Vote for 1)

Precinct	Ballots Cast	Reg. Voters	Total Votes	Jim Duggan	Write-in	Over Votes	Under Votes
Precinct 302	508	2804	302	300 99.34%	2 0.66%	0	206
Precinct 303	137	788	75	75 100.00%	0 0.00%	0	62
Precinct 304	650	3733	401	393 98.00%	8 2.00%	0	249
Precinct 306	148	818	105	104 99.05%	1 0.95%	0	43
Precinct 309	14	99	12	11 91.67%	1 8.33%	0	2
Precinct 313	4	5	1	1 100.00%	0 0.00%	0	3
Precinct 315	1	1	1	1 100.00%	0 0.00%	0	0
Precinct 319	1578	8609	1058	1044 98.68%	14 1.32%	0	520
Precinct 320	648	3512	438	433 98.86%	5 1.14%	0	210
Precinct 322	0	5	0	0 0.00%	0 0.00%	0	0
Precinct 325	1	3	1	1 100.00%	0 0.00%	0	0
Precinct 327	0	1	0	0 0.00%	0 0.00%	0	0
Precinct 331	629	3212	428	425 99.30%	3 0.70%	0	201
Precinct 332	420	3525	310	300 96.77%	10 3.23%	0	110
Precinct 333	648	5642	498	494 99.20%	4 0.80%	0	150
Precinct 349	545	3487	378	364 96.30%	14 3.70%	0	167
Precinct 351	518	3855	372	364 97.85%	8 2.15%	0	146
Precinct 353	319	898	220	219 99.55%	1 0.45%	0	99
Precinct 355	863	3984	598	594 99.33%	4 0.67%	0	265
Precinct 356	402	2437	264	256 96.97%	8 3.03%	0	138
Precinct 357	357	1973	246	243 98.78%	3 1.22%	0	111
Precinct 360	625	4073	456	452 99.12%	4 0.88%	0	169
Precinct 362	1182	4226	800	800 100.00%	0 0.00%	0	382
Precinct 363	1067	4122	699	692 99.00%	7 1.00%	0	368
Precinct 364	1547	5427	933	922 98.82%	11 1.18%	0	614
Precinct 365	1102	3365	659	653 99.09%	6 0.91%	0	443
Precinct 366	309	1907	197	197 100.00%	0 0.00%	0	112
Precinct 367	1369	5129	930	920 98.92%	10 1.08%	0	439
Precinct 368	1235	4740	796	790 99.25%	6 0.75%	0	439
Precinct 369	516	2212	307	304 99.02%	3 0.98%	0	209
Precinct 370	664	2603	451	446 98.89%	5 1.11%	0	213
Precinct 371	823	2651	560	559 99.82%	1 0.18%	0	263
Precinct 372	301	901	202	199 98.51%	3 1.49%	0	99
Precinct 374	7	12	4	3 75.00%	1 25.00%	0	3
Precinct 375	65	321	55	54 98.18%	1 1.82%	0	10
Precinct 376	672	2262	441	437 99.09%	4 0.91%	0	231
Precinct 377	878	2651	596	592 99.33%	4 0.67%	0	282
Precinct 381	52	264	35	35 100.00%	0 0.00%	0	17
Precinct 382	444	3172	339	329 97.05%	10 2.95%	0	105
Precinct 384	1066	3579	674	666 98.81%	8 1.19%	0	392
Precinct 387	0	11	0	0 0.00%	0 0.00%	0	0
Precinct 388	9	75	7	7 100.00%	0 0.00%	0	2
Precinct 390	764	2599	546	543 99.45%	3 0.55%	0	218
Precinct 391	7	50	7	7 100.00%	0 0.00%	0	0
Precinct 392	18	142	16	16 100.00%	0 0.00%	0	2
Precinct 398	520	2038	328	321 97.87%	7 2.13%	0	192
Precinct 399	529	2878	371	366 98.65%	5 1.35%	0	158
Precinct 400	993	4756	587	581 98.98%	6 1.02%	0	406
Precinct 401	668	2081	418	416 99.52%	2 0.48%	0	250
Precinct 403	418	1665	260	260 100.00%	0 0.00%	0	158
Precinct 407	679	2194	435	434 99.77%	1 0.23%	0	244
Precinct 409	5	74	3	3 100.00%	0 0.00%	0	2
Precinct 412	605	2223	340	337 99.12%	3 0.88%	0	265
Precinct 421	37	134	24	24 100.00%	0 0.00%	0	13
Precinct 429	682	3721	406	402 99.01%	4 0.99%	0	276
Precinct 434	960	4515	616	609 98.86%	7 1.14%	0	344
Precinct 439	335	2065	214	213 99.53%	1 0.47%	0	121
Total	29543	134229	19420	19211 98.92%	209 1.08%	0	10123



Multnomah County Elections - Official Precinct Results - Tualatin Valley Water District
May 18, 2021 Special District Election

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All Precincts, Tualatin Valley Water District, All ScanStations, Tualatin Valley Water District,
Commissioner, Position 1, Tualatin Valley Water District, Commissioner, Position 2, Tualatin Valley
Water District, Commissioner, Position 3, All Boxes
Total Ballots Cast: 52

Tualatin Valley Water District, Commissioner, Position 1 (Vote for 1)

Precinct	Total Votes	Bernice Bagnall	Write-In	Over Votes	Under Votes
Precinct 3102	14	14 100.00%	0 0.00%	0	6
Precinct 3304	24	24 100.00%	0 0.00%	0	8
Total	38	38 100.00%	0 0.00%	0	14

Certificate

I certify that the votes recorded on this
abstract correctly summarize the tally of
votes cast at the election indicated.



Tim Scott, Director of Elections
Multnomah County, Oregon

Multnomah County Elections - Official Precinct Results - Tualatin Valley Water District
May 18, 2021 Special District Election

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All Precincts, Tualatin Valley Water District, All ScanStations, Tualatin Valley Water District,
Commissioner, Position 1, Tualatin Valley Water District, Commissioner, Position 2, Tualatin Valley
Water District, Commissioner, Position 3, All Boxes
Total Ballots Cast: 52

Tualatin Valley Water District, Commissioner, Position 2 (Vote for 1)

Precinct	Total Votes	Dick Schmidt	Write-in	Over Votes	Under Votes
Precinct 3102	14	14 100.00%	0 0.00%	0	6
Precinct 3304	21	21 100.00%	0 0.00%	0	11
Total	35	35 100.00%	0 0.00%	0	17

Certificate

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abstract correctly summarize the tally of
votes cast at the election indicated.



Tim Scott, Director of Elections
Multnomah County, Oregon

Multnomah County Elections - Official Precinct Results - Tualatin Valley Water District

May 18, 2021 Special District Election

All Precincts, Tualatin Valley Water District, All ScanStations, Tualatin Valley Water District,
Commissioner, Position 1, Tualatin Valley Water District, Commissioner, Position 2, Tualatin Valley
Water District, Commissioner, Position 3, All Boxes

Total Ballots Cast: 52

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2021-06-03

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Tualatin Valley Water District, Commissioner, Position 3 (Vote for 1)

Precinct	Total Votes	Jlm Duggan	Write-In	Over Votes	Under Votes
Precinct 3102	14	14 100.00%	0 0.00%	0	6
Precinct 3304	26	26 100.00%	0 0.00%	0	6
Total	40	40 100.00%	0 0.00%	0	12

Certificate

I certify that the votes recorded on this
abstract correctly summarize the tally of
votes cast at the election indicated.



Tim Scott, Director of Elections
Multnomah County, Oregon

Tualatin Valley Water District



Delivering the Best Water 💧 Service 💧 Value

To: Board of Commissioners

From: Tom Hickmann, PE, Chief Executive Officer

Date: June 16, 2021

Subject: Board Officer and Committee Appointments

Requested Board Action:

Consider approving the appointments of Board officers and internal and external committee assignments for the 2021-22 fiscal year as found in the proposed Board Appointments and Assignments document.

Key Concepts:

- The Board annually approves officer appointments as well as appointments to internal and external committees.
- Commissioners discussed officer and committee appointments for each Commissioner in Fiscal Year 2021-22 at the June 1 Board work session.

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). The June 1 Board work session discussion led to the proposed Board appointments and assignments outlined in the attached document.

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 and Audit 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.

External Committees: Commissioners represent the District on various committees within the community.

Budget Impact:

None.



Staff Contact Information:

Tom Hickmann, PE; Chief Executive Officer; 503-848-3088; tom.hickmann@tvwd.org

Attachment:

Proposed Board Appointments and Assignments Fiscal Year 2021-22

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		Water Supply Program Director	N/A

PROPOSED – BOARD APPOINTMENTS AND ASSIGNMENTS

Effective July 21, 2021 for Fiscal Year 2021-22

Board Officers	Commissioner				
	Bagnall	Doane	Duggan	Sanders	Schmidt
President (consecutive three-year term limit)				First Term*	
Vice President			First Term*		
Treasurer	First Term*				
Secretary		First Term*			
Acting Secretary					First Term*
Internal Committees					
Budget Committee	Member	Member	Member	Member	Member
Policy and Board Development Committee	Member		Member		
Water Supply Committee		Member		Member	
Strategic Planning Committee		Member		Member	
Finance Committee and Audit Committee	Member		Member		
External Committees					
Willamette River Water Coalition Board		Alternate		Primary	
Willamette Intake Facilities Commission Board		Primary			Alternate
Willamette Water Supply System Commission Board			Primary		Alternate
Joint Water Commission	Alternate	Backup			Vice Chair**
Barney Joint Ownership Commission	Alternate				Vice Chair
Regional Water Providers Consortium Board/Executive Committee			Primary		Alternate
Aloha Business Association					Primary
Washington County Public Affairs Forum (event attendance)				Alternate	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 Board Policy Manual. 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.

Audit Committee – This committee provides independent review and oversight of the District’s financial reporting processes, internal controls and independent auditors.