



TUALATIN VALLEY
WATER DISTRICT

TVWD BOARD OF COMMISSIONERS

President Todd Sanders, PhD | Vice President Jim Duggan, PE
Secretary Jim Doane, PE | Treasurer Carl Fisher | Acting Secretary Elliot Lisac

Board Meeting Agenda

May 17, 2023

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

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.

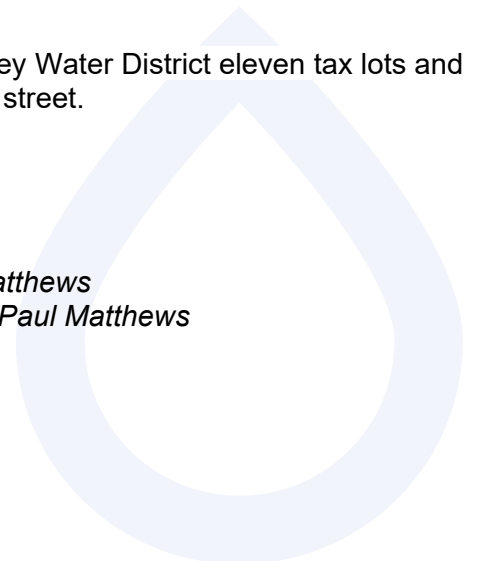
1. CONSENT AGENDA

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 April 19, 2023, regular meeting minutes.
- B. Consider a Resolution endorsing the annexation to the Tualatin Valley Water District eleven tax lots and adjacent rights of ways located on NE Schaaf street and NE Pubols street.
- C. Chief Executive Officer travel to Colombia.

2. BUSINESS AGENDA

- A. Rate Advisory Committee recommendations. *Staff Report – Paul Matthews*
- B. Update on District's planned revenue bond increase. *Staff Report – Paul Matthews*



EXECUTIVE SESSION – FOLLOWING REGULAR MEETING – MICROSOFT TEAMS MEETING

An executive session of the Board is called under ORS 192.660(2)(e) to conduct deliberations to negotiate real property transactions

ADJOURNMENT

*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 sam.kaufmann@twvd.org or call 503-848-3094 by 4:30 p.m. on May 17, 2023.

The meeting is accessible to persons with disabilities and those who need qualified bilingual interpreters. A request for an interpreter for the hearing impaired, a bilingual interpreter or for other accommodations should be made at least 72 hours before the meeting to the contact listed above.

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





TUALATIN VALLEY
WATER DISTRICT

Board Meeting Minutes

April 19, 2023

REGULAR SESSION – 6:00 PM

CALL TO ORDER

Commissioners Present: Jim Doane, PE; Jim Duggan, PE; Carl Fisher; Elliot Lisac, Todd Sanders

Staff Present: Tom Hickmann, Chief Executive Officer; Clark Balfour, General Counsel; Paul Matthews, Chief Financial Officer; Pete Boone, PE, Chief Operating Officer; Dave Kraska, PE, Water Supply Program Director; Andrew Carlstrom, Customer Service Manager; Andrea Watson, Communications and Public Affairs Supervisor; Tim Boylan, IT Services Director and Sam Kaufmann, District Recorder.

REPORTS BY THE CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF

Tom Hickmann was pleased to report his successful lobbying efforts with the State Legislature and believes TVWD is on track to receive generous financial support.

Clark Balfour gave his department report and detailed many House and Senate bills currently being considered in the State Legislature.

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.

None.

PUBLIC COMMENT

There was none.



1. CONSENT AGENDA

- A. Approve the March 15, 2023, regular meeting minutes.
- B. Approve the April 4, 2023 work session meeting minutes
- C. Ratification of Commissioner Fisher as the TVWD Representative at the April 14, 2023 Meetings for the Barney Reservoir Joint Operating Commission and the Joint Water Commission

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

2. BUSINESS AGENDA

- A. Comparator Agencies for Compensation Research. *Staff Report – Kylie Bayer*

Kylie Bayer presented her staff report on Comparator Agencies for Compensation Research.

Motion was made by Lisac, seconded by Fisher, to Consider approving the list of staff-recommended comparator agencies as identified in the staff report to use for compensation analysis. The motion passed unanimously with Doane, Duggan, Fisher, Lisac and Sanders voting in favor.

- B. Adoption of the District's Mission and Values Statements *Staff Report – Tom Hickmann*

Tom Hickmann presented his staff report on the TVWD Mission and Values Statements.

Motion was made by Duggan, seconded by Doane to approve Resolution 05-23, a Resolution revising the Mission and Values statements for the Tualatin Valley Water District. The motion passed unanimously with Doane, Duggan, Fisher, Lisac and Sanders voting in favor.

- C. Consider adopting a Resolution approving the 2023 Washington County Multi-Jurisdiction Natural Hazard Mitigation Plan. *Staff Report – Nick Augustus and Kevin Sutherland*

Motion was made by Fisher, seconded by Doane to approve Resolution 06-23, a Resolution adopting the 2023 Washington County Multi-Jurisdiction Natural Hazard Mitigation Plan (NHMP). The motion passed unanimously with Doane, Duggan, Fisher, Lisac and Sanders voting in favor.

ADJOURNMENT

There being no further business, President Sanders adjourned the meeting at 7:27 p.m.

Todd Sanders, President

Jim Doane, Secretary

LOBBYING UPDATE

- Recent lobbying efforts with state legislature

1

MAY 2 WORK SESSION

There are no agenda items scheduled for the May 2 work session. Therefore, staff recommend canceling this meeting.

2

DEPARTMENT REPORT

Clark Balfour, General Counsel, will present the department report this evening.

3 | CEO and Management Staff Report



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CURRENT FOCUS

- Mission, Vision and Values
- Class Compensation Study
- HR Policy Reviews
- Bond Sale
- TVWD/Wilsonville Real Estate Matters
- Contracts and Project Administration
- Legislature



4 | Legal Department Report



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LEGISLATURE WATCH



- Past the Mid Point
- Many Bills Still in Special Committee Status—Ways and Means, Rules
- Continue to Monitor

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SELECTED HOUSE BILLS OF INTEREST

- HB 2647 Harmful Algal Blooms
- HB 2718 Hydrogen Generators
- HB 2805 Handy Decision
- HB 2870 Retainage Bonds
- HB 2984 SDC's Upon Conversion of Commercial to Residential
- HB 3097 In Conduit Hydro
- HB 3125 LIHWA Ratepayer Assistance Fund
- HB 3205 Pay Equity and Hiring/Retention Bonus

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SELECTED SENATE BILLS OF INTEREST

- SB 23 Grant to City of Carlton
- SB 124 Hydrogen Generators
- SB 635 County ROW Fees
- SB 848 Designer Indemnity
- SB 1017 Infrastructure Fund for Rural Cities

CONSENT AGENDA

- A. Approve the March 15, 2023, regular meeting minutes.
- B. Approve the April 4, 2023 work session meeting minutes.
- C. Ratification of Commissioner Fisher as the TVWD Representative at the April 14, 2023 Meetings for the Barney Reservoir Joint Operating Commission and the Joint Water Commission.



Classification/Compensation Project

Compensation Analysis: Comparator Agencies

Kylie Bayer

Human Resources Director



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PROJECT STATUS

Complete:

- Project Management and Kickoff: Project plan, communications plan, project spend reports, FAQs, document sharing
- Compensation Philosophy: Compensation philosophy questionnaire, draft compensation philosophy, Board presentation
- Classification Study: Job analysis questionnaires, work of comparable character analysis

In Progress:

- Compensation Philosophy: Board approval of compensation philosophy (anticipated at project completion)
- Classification Study: Update classification structure, update job descriptions
- Compensation Study: Select comparator agencies (tonight), select benchmark jobs (consultant reviewing proposed list), gather compensation data, obtain recommendations for compensation structure, review pay policies and obtain recommendations for policy changes

Not started:

- Final report



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COMPENSATION ANALYSIS

Comparator Agencies

Guidelines for Comparator Agency Selection:

- Similar industry
- Similar size (customer base, employee count, operating budget)
- Similar jobs
- Regional location
- Competitors for talent
- Availability of compensation data

The Project Team recommends using seven primary comparators and three secondary comparators. Secondary comparators can be used if we lack sufficient compensation data from the primary comparators. Salary survey data (AWWA, Milliman) may also be considered however the Project Team prefers to focus on compensation data from the comparator list as presented.

Primary comparator agencies:

- City of Portland
- City of Beaverton
- City of Hillsboro
- Clean Water Services
- Eugene Water and Electric Board
- Clark Public Utilities (Washington)
- Denver Water (Colorado)

Secondary comparator agencies:

- San Antonio Water System (Texas)
- Tacoma Public Utilities (Washington)
- East Bay Municipal Utility District (California)



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COMPENSATION ANALYSIS

Benchmark Jobs

Guidelines for Benchmark Job Selection:

- Jobs with highest employee count
- Common jobs in the labor market (finance, HR, IT)
- Difficult to fill jobs
- Key strategic roles (Leadership Team)
- Avoid unique jobs that aren't found elsewhere

The Project Team will finalize the list of benchmark jobs and begin data collection once the Board has approved the recommended comparator agencies.

Examples of Proposed TVWD Benchmark Jobs:

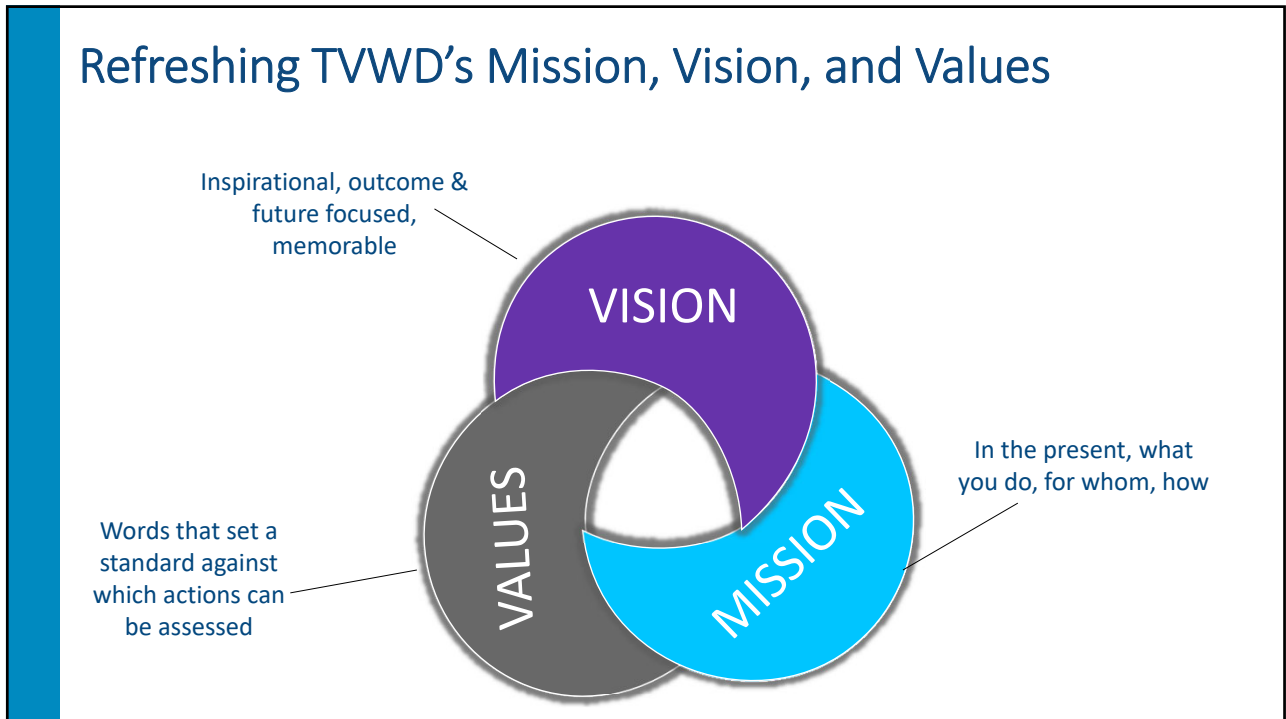
- Meter Reader
- GIS Technician
- Payroll Specialist
- Customer Service & Billing Specialist
- Systems Administrator
- Engineering Associate
- Mechanic
- SCADA Technician
- Water Works Operator (Valve, Distribution, Construction & Maintenance)
- Facilities Maintenance Technician
- Controller
- Accountant
- Communications and Public Affairs Supervisor
- Manager/Supervisor jobs and Leadership Team jobs



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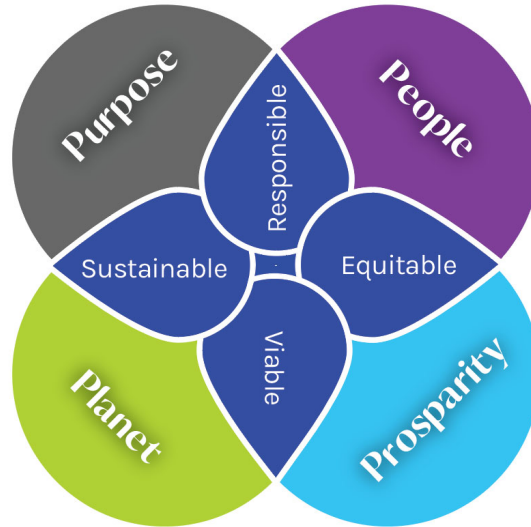


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Integrates the District's Social Responsibility



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Captures What's Uniquely TVWD

- ✓ Shares TVWD's commitment to reliability and service excellence
- ✓ Reflects TVWD's friendly culture—job enjoyment with opportunities to grow
- ✓ Sets expectations for a workforce that reflects the diversity of the community we serve
- ✓ Clarifies priorities to direct use of resources and time
- ✓ Acknowledges the District's leadership, evolving regional role, and responsibilities
- ✓ Provides a shared vision for a future guided by decades of successful service

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Co-Created through Collaboration

September – December of 2022

- ✓ Stakeholder Interviews
- ✓ What’s Your Vision Staff Survey
- ✓ Project Steering Committee Meeting
- ✓ Rate Advisory Committee Meeting #1
- ✓ Leadership Team Retreat
- ✓ Mission Vision Values Team Meeting #1
- ✓ Rate Advisory Committee Meeting #2
- ✓ Board Visioning Work Session #1
- ✓ Project Steering Committee Meeting
- ✓ Board Work Session #2
- ✓ Rate Advisory Committee Meeting #3
- ✓ Board Adopts the new Vision

January – April of 2023

- ✓ Mission & Values Staff Survey
- ✓ All Staff Focus Groups (Departments & Committees)
- ✓ Staff Mission, Vision, Values Team Meeting
- ✓ Community Expectations & Future Aspirations Review
- ✓ Leadership Team Meeting
- ✓ Project Steering Committee Meeting
- ✓ Expanded Leadership Team Meeting
- ✓ All Staff Meeting
- ✓ Board of Commissioners April Work Session

2022-2023 Monthly

- ✓ Monthly: Newsletter & Pulse Surveys

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Our Mission
Reliable, resilient, and safe water

Our Vision
Our water sustains thriving communities—every day for everyone.

Our Values
Respect
Integrity
Service
Equity

What we
do every
day

Where
we are
going

How we
do it



- ✓ Memorable
- ✓ Short and clear
- ✓ No ambiguous words
- ✓ Future focused while reflecting current mission and values
- ✓ Incorporates community expectations

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Board Discussion



Our Mission

Reliable, resilient, and safe water

Our Vision

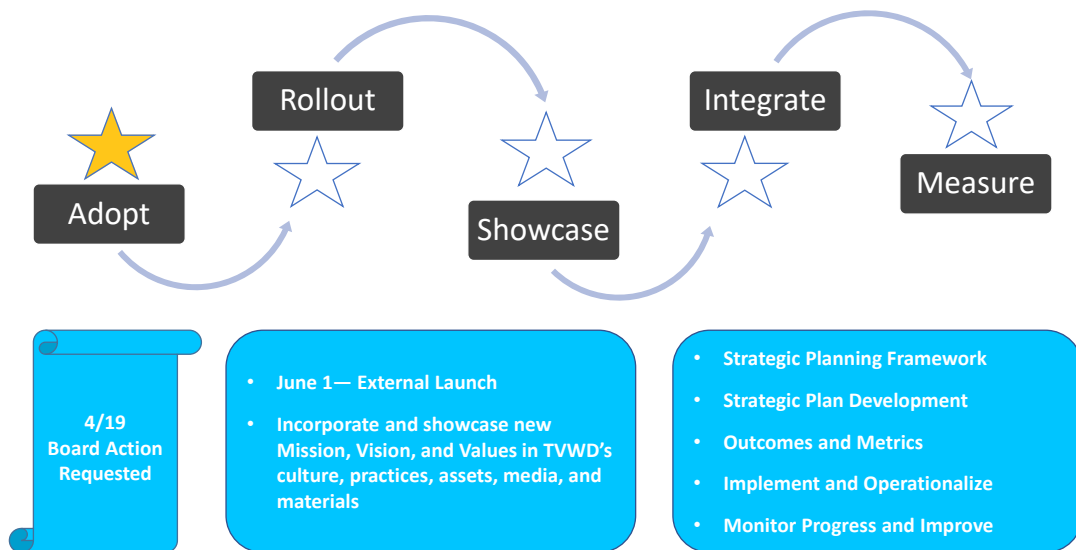
Our water sustains thriving communities—every day for everyone.

Our Values

- Respect
- Integrity
- Service
- Equity

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Living It – Adoption and Next Steps



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Thank You



On the Horizon

- June 1: Mission, Vision, and Values Rollout
- Summer 2023: Strategic Planning Framework Kickoff

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Staff Recommendation

Adopt Resolution 05-23, revising the mission and values statements for the Tualatin Valley Water District

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2023 Washington County Natural Hazard Mitigation Plan

Kevin Sutherland / Nicholas Augustus, PE
Emergency Program Coordinator / Capital Improvement Program Manager



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OUTLINE

- Key Concepts
- Background
- Mitigation Action Plans
- Benefits of the Natural Hazard Mitigation Plan



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KEY CONCEPTS

Natural Hazard Mitigation Plan (NHMP)

- NHMP is developed and updated on a 5-year cycle
- TVWD and other agency participation, including WWSS
- NHMP identifies specific hazards and mitigation actions
- Prerequisite for funding applications
- Adoption by the governing body is required to pursue funding

BACKGROUND

Natural Hazard Mitigation Plan (NHMP)

- Collaboration between Washington County, TVWD, and WWSP staff
- Development of TVWD's "annex" with assistance by county's mitigation planner, IEM. Includes WWSS mitigation actions.
- Washington County completed the required public review in March, County Board of Commissioner's adoption anticipated in April 2023.
- TVWD and the WWSS systems are eligible to apply for federal funding
- Mitigation action plans for several potential projects could be eligible for federal funding

BACKGROUND

Natural Hazard Mitigation Plan (NHMP)

•Focus of Natural Hazards: Dam failure, Drought, Earthquake, Extreme heat, Flooding, Landslide, Volcanic ash, Wildland fire, Windstorm (including tornado), and Winter storm

•Methodology & Scoring:

- Severity
- History
- Vulnerability
- Maximum Threat
- Probability

Table 282: Natural Hazard Risk Scores

Natural Hazard	History	Vulnerability	Maximum Threat	Probability	Score
Dam failure	Low	Medium	Medium	High	133
Drought	High	High	Medium	High	186
Earthquake: Cascadia (3–5-minute event)	Low	High	High	Medium	201
Earthquake: Crustal (1-minute event)	Low	High	High	Low	159
Extreme heat	High	Medium	High	High	177
Flooding, including channel migration and streambed erosion	Low	Low	Low	Medium	67
Landslide	High	Low	Low	Medium	88
Volcanic ash	Low	Medium	High	Low	119
Wildland fire	High	Medium	Medium	High	161
Windstorm, including tornado	High	Medium	Medium	High	169
Winter storm	High	Medium	High	High	206



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MITIGATION ACTION PLANS:

Natural Hazard Mitigation Plan (NHMP)

- Various Action Items Developed, including priority ranking high, medium, and low.
- Actions include infrastructure upgrades, partnership with regional agencies, public education efforts, emergency water distribution, infrastructure interdependency workshops, key & critical customer collaboration, communications upgrades to assist with responding during disasters.

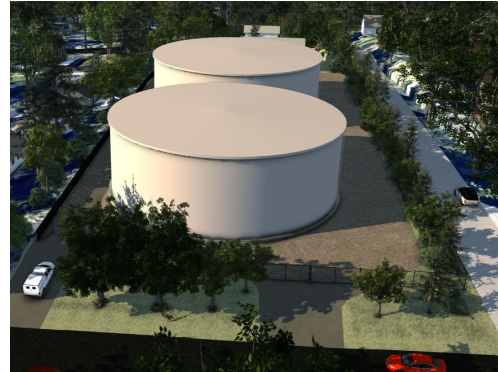


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BENEFITS

Natural Hazard Mitigation Plan (NHMP)

- Access to FEMA funding (up to 75% of costs through grants)
- No obligation to proceed with any of these projects
- Update and maintain plan on a 5-year schedule
- Once adopted, staff will evaluate next steps with mitigation action plans & evaluate funding opportunities



REQUESTED BOARD ACTION

Natural Hazard Mitigation Plan (NHMP)

Consider adopting Resolution 06-23 approving the 2023 Washington County Multi-Jurisdiction Natural Hazard Mitigation Plan.



Report of Meetings Attended

Commissioner Doane _____

Date	Meeting or Function	Purpose	\$	Claimed
4/19	Regular Meeting		50	<input checked="" type="checkbox"/> Yes X No
4/18	Budget Meeting		0	<input type="checkbox"/> Yes X No
4/10	JWC Pre Meeting		50	<input checked="" type="checkbox"/> Yes X No
4/4	Work Session		50	<input checked="" type="checkbox"/> Yes X No
3/23	Talking Water		50	<input checked="" type="checkbox"/> Yes X No
3/21	RAC		50	<input type="checkbox"/> Yes X No
3/18	WIF		50	<input type="checkbox"/> Yes X No
				<input type="checkbox"/> Yes x <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

\$300.00 OK to pay CEAF- SK





Report of Meetings Attended

Commissioner Jim Duggan

Date	Meeting or Function	Purpose	\$	Claimed
3/21/2023	TVWD RAC Meeting #6	Summary/Conclusion	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3/23/2023	Talkin' Water: Spanish Webinar	Introduction Session	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4/04/2023	TVWD Board Work Session	Mission/Vision/WWSS	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4/06/2023	WWSS Board Meeting	Regular Bi-Monthly Mtg.	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4/10/2023	TVWD Finance Committee	Class Comp./Fin. Update	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4/11/2023	TVWD Agenda Planning Mtg.	Meeting w/ Tom & Todd	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4/12/2023	RWPC Executive Comm. Mtg.	Regular 1/3 Yr. Mtg.	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4/18/2023	TVWD Budget Workshop #1		-	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4/19/2023	TVWD Board Meeting	Regular Monthly Mtg.	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

\$400.00 OK to pay - SK





Report of Meetings Attended

Commissioner Fisher

Date	Meeting or Function	Purpose	\$	Claimed
4/4	TVWD Work Session	For Board Updates	50	<input type="checkbox"/> Yes <input type="checkbox"/> No
4/13	JWC/Barney Meeting	Budget meetings	50	<input type="checkbox"/> Yes <input type="checkbox"/> No
4/11	TVWD Budget Tour	Tour with Budget Committee	50	<input type="checkbox"/> Yes <input type="checkbox"/> No
4/18	TVWD Budget Workshop	First overview with Budget committee	50	<input type="checkbox"/> Yes <input type="checkbox"/> No
4/19	TVWD Board Meeting		50	<input type="checkbox"/> Yes <input type="checkbox"/> No
4/12	Meeting with Pete Boone	Briefing on JWC	50	<input type="checkbox"/> Yes <input type="checkbox"/> No
3/21	RAC Meeting 6		50	<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

\$350.00 OK to pay CEAF - SK





Report of Meetings Attended

Commissioner Lisac

Date	Meeting or Function	Purpose	\$	Claimed
4/4/2023	Board Work Session	District Mission and Values, WWSS update	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4/10/2023	Finance Committee	Class compensation study, financial assistance	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4/19/2023	TVWD Board Meeting	April Board meeting	50	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
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				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

\$150.00 OK to pay - SK



From: [Todd Sanders](#)
To: [Sam Kaufmann](#)
Subject: Approve April Meetings attended forms
Date: Thursday, April 27, 2023 9:24:08 AM
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I approve the April 2023 meetings attended forms for Commissioners Doane, Duggin, Fisher and Lisac.

Todd Sanders
Get [Outlook for Android](#)

Todd Sanders
TVWD Commissioner
Todd.Sanders@twwd.org



TUALATIN VALLEY
WATER DISTRICT



www.twwd.org

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Report of Meetings Attended

Commissioner Sanders

Date	Meeting or Function	Purpose	\$	Claimed
3/18/23	CFM Communications	Get one pager to US Rep. Salinas	50	X Yes <input type="checkbox"/> No
3/20/23	Tom Hickman/Todd Sanders	Planning for DC Lobby trip	50	X Yes <input type="checkbox"/> No
3/21/23	CFM/ Tom Hickman	DC Talking Points memo	50	X Yes <input type="checkbox"/> No
3/22/23	Travel to DC	Lobbying	50	X Yes <input type="checkbox"/> No
3/23/23	DC with Oregon Reps and Senators	Lobbying	50	X Yes <input type="checkbox"/> No
3/24/23	Travel from DC	Lobbying	50	X Yes <input type="checkbox"/> No
3/27/23	Tom Hickman/Todd Sanders	Planning for Salem Lobby trip	50	X Yes <input type="checkbox"/> No
3/28/23	Create Salem Talking points	Write up Salem Talking points	50	X Yes <input type="checkbox"/> No
3/29/23	CFM Communications	Editing Salem Talking points	50	X Yes <input type="checkbox"/> No
3/30/23	Salem Lobbying Day	Lobbying	50	X Yes <input type="checkbox"/> No
3/31/23	Talking with Re. Chaichi office	Meeting discussion	50	X Yes <input type="checkbox"/> No
4/1/23	Phone meeting with WSWD board member	Talk about providing cost estimates for water delivery to WSWD	50	X Yes <input type="checkbox"/> No
4/3/23	Emails with WSWD Board members	Set meeting to discuss cost estimates	50	X Yes <input type="checkbox"/> No
4/4/23	TVWD Work Session	Monthly Work session	50	X Yes <input type="checkbox"/> No
4/5/23	Meeting with Rep. Chaichi office	Meeting with Rep. Chiachi	50	X Yes <input type="checkbox"/> No
4/10/23	TVWD/CFM Check in	Lobbying discussion	50	X Yes <input type="checkbox"/> No
4/11/23	Board Agenda Planning discussion	Planning Agenda	50	X Yes <input type="checkbox"/> No

4/13/23	Find alternative for JWC meeting on 4/14	Work out details for replacement at JWC/BRWC meeting	50	X Yes <input type="checkbox"/> No
4/17/23	Tom Hickman/Todd Sanders	Lobbying Update	50	X Yes <input type="checkbox"/> No
4/18/23	Emails with WSWD Board member	Discuss providing cost estimate request from WSWD Board	50	X Yes <input type="checkbox"/> No
4/18/23	Budget Committee Workshop #1	Budget Committee	0	Yes X No
4/19/23	Monthly Board Meeting	Monthly Board Meeting	50	X Yes <input type="checkbox"/> No

Date: _____ 4/19/23 _____ Requested by: _Todd Sanders_____ Commissioner

\$1,050 OK to pay -SK



From: [Jim Doane](#)
To: [Sam Kaufmann](#)
Cc: [Jim Doane](#); [Todd Sanders](#)
Subject: RE: Revised Meetings attended form Sanders April 2023
Date: Thursday, April 27, 2023 11:38:55 AM
Attachments: [image002.png](#)
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Yes, you have my permission. We should get him a TVWD helicopter.

Jim Doane

Jim Doane
TVWD Commissioner
jim.doane@tvwd.org



TUALATIN VALLEY
WATER DISTRICT



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From: Sam Kaufmann <Sam.Kaufmann@tvwd.org>
Sent: Thursday, April 27, 2023 9:40 AM
To: Jim Doane <jim.doane@tvwd.org>
Subject: FW: Revised Meetings attended form Sanders April 2023

Hi Jim,

I hope you are doing well. Do you approve of Commissioner Sander's meetings attended form?

Thanks,

Sam Kaufmann
District Recorder
Sam.Kaufmann@tvwd.org



TUALATIN VALLEY
WATER DISTRICT



TUALATIN VALLEY

WATER DISTRICT

Date: May 17, 2023

To: Board of Commissioners

From: Matt Palmer, P.E., Development Services Engineer

Subject: Endorsement of Annexation – 5707, 5715, 5877 and 6115 NE Schaaf Street

5820, 5910, 6040, 6220 and 6350 NE Pubols Street

Tax Lot 214 and 401 on Washington County Assessor's Tax Map 1N2-15

Requested Board Action:

Adopt a resolution endorsing the annexation to the Tualatin Valley Water District (TVWD) of eleven tax lots and adjacent rights of ways located on NE Schaaf street and NE Pubols street.

Key Concepts:

- The property owner of 5707, 5715, 5877 and 6115 NE Schaaf Street; 5820, 5910, 6040, 6220 and 6350 NE Pubols Street; and Tax Lots 214 and 401 on Washington County Assessor's Tax Map 1N2-15 (Properties, collectively) has requested annexation to Tualatin Valley Water District (TVWD) to receive water service.
- The Properties were previously annexed into the Metropolitan Service District under Metro Resolution 22-1486 and annexed into the City of Hillsboro and Clean Water Services Service District under City of Hillsboro Ordinance No. 6421.
- Annexation requests require endorsement by the TVWD Board of Commissioners prior to providing water service to subject properties currently outside TVWD's service boundary.
- TVWD can serve a portion of the Properties which front onto NE Schaaf Street from an existing 12-inch water main. As part of anticipated development on the Properties, extension of the existing water system will be required to serve the remainder of the Properties.

Background:

The owners of the Properties, EVP Development, requested annexation to TVWD to receive water service on March 9, 2023. The Properties that currently have single-family residences and outbuildings are on wells and do not currently have public water service.

The Properties are located outside of the current boundaries of TVWD, and therefore require the annexation to be endorsed by the TVWD Board of Commissioners. The Properties are located inside of the Urban Growth Boundary (UGB) and previously annexed into the Metropolitan Service District under Metro Resolution 22-1486 and annexed into the City of Hillsboro and Clean Water Services Service District under City of Hillsboro Ordinance No. 6421. Now that the parcels have been annexed to the City, the City becomes the reviewing entity under Metro Code Section 3.09. The annexation request will also be subject to approval by the City of Hillsboro applying State law, City ordinances and Metro ordinances prior to water service being provided by TVWD. The 2003 Urban Service Agreement between TVWD and the City provides for TVWD water service in this area.

TVWD has an existing 12-inch water main on NW Schaaf Road along the frontages of 5877 and 6115 NE Schaaf Street and Tax Lot 214 (on Washington County Assessor's Tax Map 1N2-15). Upon development of the Properties, future water system improvements including main extensions and looping will be required on NE Schaaf Street, NW Helvetia Road and NE Pubols Street, with a connection to the existing water system on NW West Union Road. The property owners will be responsible for those costs associated with water system improvements.

Budget Impact:

No change or impact to current budget.

Staff Contact Information:

Matt Palmer, PE; Development Services Engineer; 503-848-3047; matt.palmer@tvwd.org

Attachments:

- Proposed Resolution No. 07-23
- Exhibit A: Property Owner Request for Annexation
- Exhibit B: Legal Description
- Exhibit C: Legal Tax Lots
- Exhibit D: TVWD Water Main Map

Leadership Team Initials:

Chief Executive Officer	TRH	Customer Service Manager	N/A
Chief Operating Officer	PDB	IT Services Director	N/A
Chief Financial Officer	Pon	Human Resources Director	N/A
General Counsel	CB	Water Supply Program Director	N/A





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 07-23

A RESOLUTION ENDORSING THE ANNEXATION TO THE TUALATIN VALLEY WATER DISTRICT ELEVEN TAX LOTS AND ADJACENT RIGHTS OF WAYS LOCATED ON NE SCHAAF STREET AND NE PUBOLS STREET.

WHEREAS, this matter came before the Board of Commissioners of the Tualatin Valley Water District, hereinafter referred as the Board; and

WHEREAS, EVP Development (Owner) is the owner of the legal tax lots (Properties) as set forth in Exhibits C and D, attached hereto and incorporated by reference; and

WHEREAS, the area described as set forth in Exhibit B, attached hereto and incorporated by reference, includes both the Properties and portions of adjacent rights of ways previously annexed into the Metropolitan Service District under Metro Resolution 22-1486, and annexed into the City of Hillsboro and Clean Water Services Service District under City of Hillsboro Ordinance No. 6421; and

WHEREAS, Owner has petitioned to annex the Properties and portions of adjacent rights of ways to the District as set forth in Exhibit A, attached hereto and incorporated by reference; and

WHEREAS, the Properties are within the area of TVWD water service under the 2003 Urban Service Agreement between the City of Hillsboro and TVWD; and,

WHEREAS, the Board is required by ORS 198.850 to endorse an annexation upon receiving the necessary consent in writing from the Owner of the property and endorse the annexation if deemed in the best interest of the District; and

WHEREAS, the Board finds that the annexation of the Properties to the District is in the best interest of the District.

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

Section 1: The Board, by this resolution, endorses the proposed annexation as described in Exhibit A, Exhibit B, Exhibit C, and Exhibit D, attached hereto and incorporated by reference.

Section 2: The Board hereby directs and authorizes the District's Chief Executive Officer to take all action to file this resolution with the City of Hillsboro to cause the annexation of the Area to the District.

Section 3: The Board requests that the City of Hillsboro conduct the annexation process as required by law and approve annexation of the property by the District.

Approved and adopted at a regular meeting held on the 17th day of May 2023.

Todd Sanders, President

Jim Doane, Secretary



EXHIBIT A

March 9, 2023

Matt Palmer
Tualatin Valley Water District
1850 SW 170th Avenue
Beaverton, OR 97003

Via Email: matt.palmer@tvwd.org

RE: TVWD Annexation
QTS Lenox Acres

Dear Matt:

We are requesting for the below-mentioned property (the "Property") that is owned by QTS to be annexed into the Tualatin Valley Water District service area.

- 1N2150000216, 5820 NE PUBOLS ST
- 1N2150000212, 5910 NE PUBOLS ST
- 1N2150000217, 6040 NE PUBOLS ST
- 1N2150000209, 6220 NE PUBOLS ST
- 1N2150000219, 6350 NE PUBOLS ST
- 1N2150000491, NO ADDRESS
- 1N2150000206, 5715 NE SCHAAF ST
- 1N2150000215, 5707 NE SCHAAF ST
- 1N2150000208, 5877 NE SCHAAF ST
- 1N2150000214, NO ADDRESS
- 1N2150000211, 6115 NE SCHAAF ST

The Property is located within the Urban Growth Boundary (UGB). The Property was recently annexed into the Metropolitan Service District (Metro Resolution 22-1486). The Property was also recently annexed into the City of Hillsboro and Clean Water Services Service District (City of Hillsboro Ordinance No. 6421)

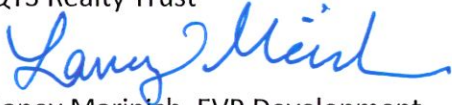
QTS intends to develop the Property into a data center campus with two data center buildings. The combined anticipated daily water usage is 6,330 gallons per day.

Attached is an exhibit depicting the parcels associated with the annexation for reference. I have also attached the legal description and map that has been prepared for the annexation. The legal description and map were used for the Metro and City annexations and have been reviewed and approved by the Oregon Department of Revenue.

TVWD Annexation
QTS Lenox Acres
March 9th, 2023
Page 2

If you have any questions or require additional information, please contact me.

Sincerely,
QTS Realty Trust



Laney Marinich, EVP Development

Attachments: Parcel Exhibit, Legal Description and Map

ANNEXATION

JOB NO. 2200047

JULY 19, 2022

(REVISED – JANUARY 13, 2023)

LEGAL DESCRIPTION

A TRACT OF LAND BEING ALL OF LOTS 1, 3, 4 AND 5, AND PORTIONS OF LOTS 2, 6 AND 7, PLAT OF LENOX ACRES, WASHINGTON COUNTY PLAT RECORDS, AND PORTIONS OF NE SCHAAF STREET, NW GROVELAND DRIVE, NW HELVETIA ROAD AND NE PUBOLS STREET, LOCATED IN THE D.T. LENOX NO. 53 AND THE J.W. CHAMBERS DLC NO. 54 IN SECTION 15, TOWNSHIP 1 NORTH, RANGE 2 WEST, WILLAMETTE MERIDIAN, WASHINGTON COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF SAID NW HELVETIA ROAD, SAID POINT BEARS SOUTH 17°09'08" WEST 94.03 FEET AND NORTH 72°50'52" WEST 45.00 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 1; THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE NORTH 17°09'08" EAST 86.27 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID NW GROVELAND DRIVE; THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE NORTH 28°13'14" WEST 19.06 FEET; THENCE LEAVING SAID SOUTHERLY RIGHT-OF-WAY LINE NORTH 17°12'55" EAST 50.05 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF SAID NW GROVELAND DRIVE; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE NORTH 62°47'36" EAST 35.68 FEET TO SAID WESTERLY RIGHT-OF-WAY LINE OF NW HELVETIA ROAD; THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE NORTH 17°09'08" EAST 372.29 FEET; THENCE SOUTH 72°50'52" EAST 13.00 FEET, TO A POINT HEREINAFTER REFERRED TO AS **POINT A**; THENCE NORTH 17°09'08" EAST 901.98 FEET; THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY LINE SOUTH 72°50'52" EAST 50.00 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF SAID NW HELVETIA ROAD; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE SOUTH 17°09'08" WEST 100.00 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF SAID NE PUBOLS STREET; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE SOUTH 89°34'38" EAST 715.75 FEET; THENCE SOUTH 17°10'09" WEST 5.22 FEET; THENCE SOUTH 89°34'38" EAST 1,522.08 FEET; THENCE LEAVING SAID NORTHERLY RIGHT-OF-WAY LINE SOUTH 00°25'22" WEST 20.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 6; THENCE ALONG THE EASTERLY LINE OF SAID LOT 6 SOUTH 25°27'32" WEST 154.59 FEET TO A POINT BEING 75 FEET WESTERLY OF THE CENTERLINE OF THE BONNEVILLE POWER ADMINISTRATION KEELER-ALLSTON NO. 1 TRANSMISSION LINE, WHEN MEASURED PERPENDICULAR THERETO; THENCE LEAVING SAID EASTERLY LINE PARALLEL WITH SAID TRANSMISSION LINE SOUTH 07°21'31" WEST 446.83 FEET TO THE SOUTHERLY LINE OF THAT TRACT OF LAND DESCRIBED IN STATUTORY BARGAIN AND SALE DEED TO ALAN E. SCHAAF AND VIRGINIA L. SCHAAF, AS TENANTS BY ENTIRETY, DOCUMENT NUMBER 2022-044756, WASHINGTON COUNTY DEED RECORDS; THENCE ALONG SAID SOUTHERLY LINE NORTH 89°35'53" WEST 465.35 FEET TO THE EASTERLY LINE OF SAID LOT 5; THENCE ALONG SAID EASTERLY LINE SOUTH 17°10'09" WEST 609.50 FEET TO THE SOUTHERLY LINE OF SAID LENOX ACRES PLAT; THENCE ALONG SAID SOUTHERLY LINE NORTH 89°35'57" WEST 1,653.49 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF SAID NE SCHAAF STREET; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE SOUTH 00°24'03" WEST 25.00 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID NE SCHAAF STREET; THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE NORTH 89°35'57" WEST 67.45 FEET TO THE BEGINNING OF A TANGENT CURVE; THENCE ALONG THE ARC OF A 280.00 FOOT RADIUS CURVE CONCAVE NORTHERLY THROUGH A CENTRAL ANGLE OF 16°45'05" (THE LONG CHORD OF WHICH BEARS NORTH 81°13'24" WEST 81.57 FEET) AND ARC DISTANCE OF 81.86 FEET TO A POINT OF TANGENCY; THENCE NORTH 72°50'52" WEST 20.34 FEET TO SAID EASTERLY RIGHT-OF-

EXHIBIT B

WAY LINE OF NW HELVETIA ROAD; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE SOUTH 17°09'08" WEST 100.00 FEET; THENCE LEAVING SAID EASTERLY RIGHT-OF-WAY LINE NORTH 72°50'52" WEST 90.00 FEET TO THE **POINT OF BEGINNING**.

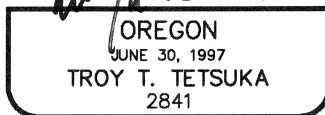
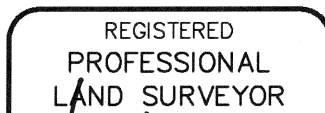
EXCEPTING THEREFROM

BEGINNING AT THE INTERSECTION OF SAID WESTERLY RIGHT-OF-WAY LINE OF NW HELVETIA ROAD AND THE WESTERLY EXTENSION OF THE SOUTHERLY LINE OF SAID LOT 2, PLAT OF LENOX ACRES, SAID POINT BEARS NORTH 17°09'08" EAST 150.53 FEET FROM AFOREMENTIONED **POINT A**; THENCE ALONG SAID SOUTHERLY LINE SOUTH 89°35'53" EAST 394.83 FEET TO THE EASTERLY LINE OF THAT TRACT OF LAND DESCRIBED IN STATUTORY WARRANTY DEED TO ISLAMIC COMMUNITY CENTER OF HILLSBORO, DOCUMENT NUMBER 2016-006881, WASHINGTON COUNTY DEED RECORDS; THENCE ALONG SAID EASTERLY LINE NORTH 17°10'09" EAST 584.11 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID NE PUBOLS STREET; THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE SOUTH 89°34'38" EAST 372.98 FEET TO THE EASTERLY LINE OF SAID LOT 2; THENCE ALONG SAID EASTERLY LINE AND THE EASTERLY LINE OF LOT 15 OF SAID LENOX ACRES NORTH 17°10'09" EAST 52.21 FEET TO SAID NORTHERLY RIGHT-OF-WAY LINE OF NE PUBOLS STREET; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE AND ITS WESTERLY EXTENSION NORTH 89°34'38" WEST 767.96 FEET TO SAID WESTERLY RIGHT-OF-WAY LINE OF NW HELVETIA ROAD; THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE SOUTH 17°09'08" WEST 636.42 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 2,263,576 SQUARE FEET OR 51.965 ACRES (MORE OR LESS).

THE BASIS OF BEARINGS IS THE OREGON COORDINATE REFERENCE SYSTEM (OCRS), PORTLAND ZONE.

THE TRACT OF LAND IS SHOWN ON THE ATTACHED EXHIBIT B AND BY THIS REFERENCE MADE PART THEREOF.

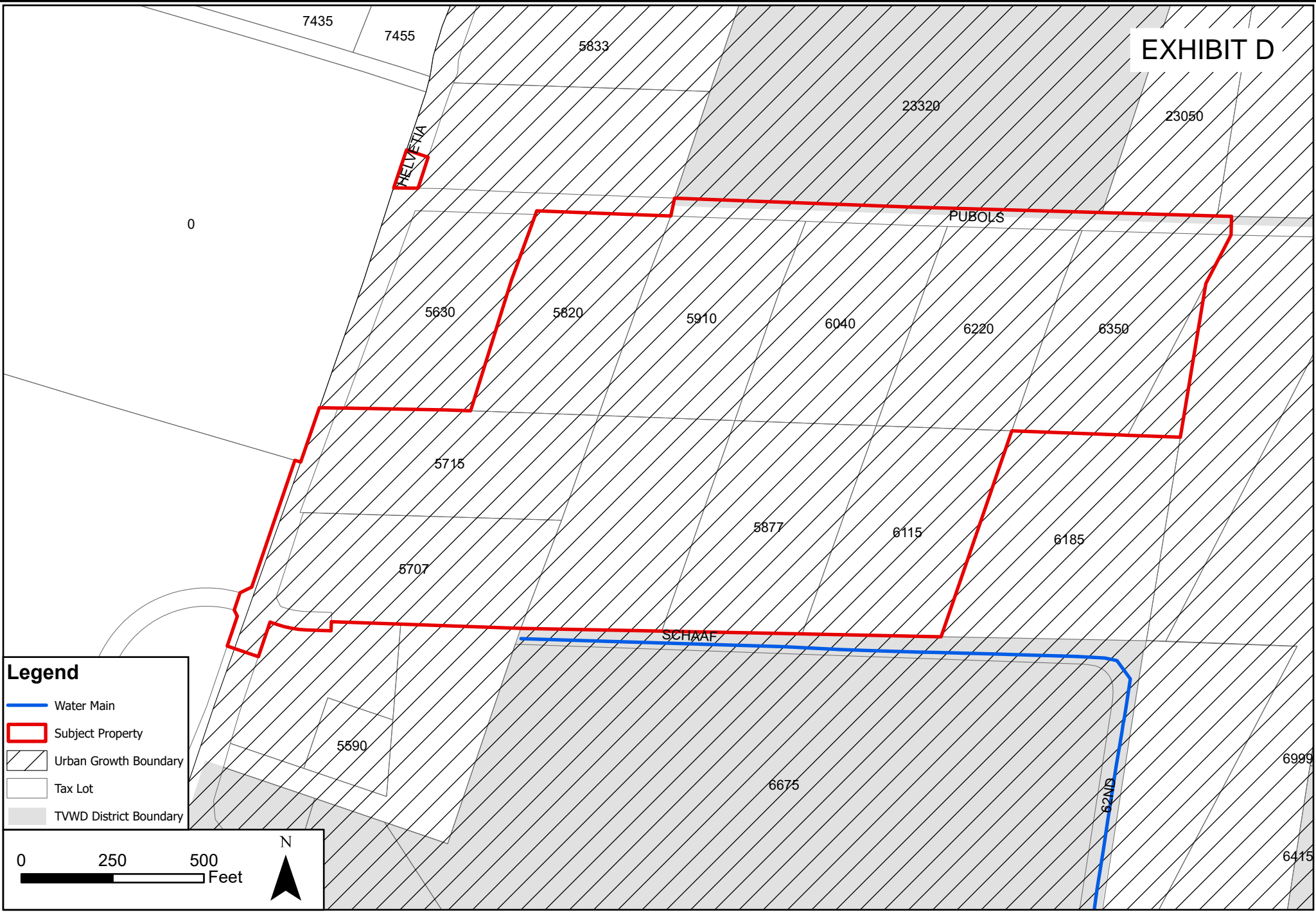


RENEWAL DATE 6-30-2024






EXHIBIT C

<u>Tax Lot</u>	<u>Tax Map</u>	<u>Site Address</u>
215	1N2-15	5707 NE SCHAAF ST., HILLSBORO, OR 97124
206	1N2-15	5715 NE SCHAAF ST., HILLSBORO, OR 97124
214	1N2-15	NO SITUS
208	1N2-15	5877 NE SCHAAF ST., HILLSBORO, OR 97124
211	1N2-15	6115 NE SCHAAF ST., HILLSBORO, OR 97124
216	1N2-15	5820 NE PUBOLS ST., HILLSBORO, OR 97124
212	1N2-15	5910 NE PUBOLS ST., HILLSBORO, OR 97124
217	1N2-15	6040 NE PUBOLS ST., HILLSBORO, OR 97124
209	1N2-15	6220 NE PUBOLS ST., HILLSBORO, OR 97124
219	1N2-15	6350 NE PUBOLS ST., HILLSBORO, OR 97124
401	1N2-15	NO SITUS

EXHIBIT D


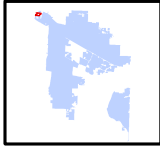


Legend

-  Water Main
-  Subject Property
-  Urban Growth Boundary
-  Tax Lot
-  TVWD District Boundary

0 250 500 Feet

N

3/9/2023



Annexation to TVWD



TUALATIN VALLEY

WATER DISTRICT

Date: May 17, 2023
To: Board of Commissioners
From: Clark Balfour, General Counsel
Subject: Chief Executive Officer Travel to Colombia

Requested Board Action:

As part of the consent agenda, authorize the CEO to attend the ANDESCO conference in Colombia as a guest speaker on behalf of TVWD and for TVWD to pay all expenses thereof according to the District's travel and reimbursement policies.

Motion: The Board of Commissioners hereby authorizes Tom Hickmann, CEO, to attend the ANDESCO conference in Colombia as a representative of TVWD and to appear as a guest speaker on behalf of the District. The Board authorizes payment of the CEO's travel, lodging, per diem allowance, and reasonable business expenses according to the District's adopted policies.

Key Concepts:

ANDESCO is a non-profit trade organization made up of utilities and vendors to support water, wastewater, electricity, and telecommunications providers in Central and South America.

Open International (Open) is the District's contractor for implementation of a new CIS platform and service. Open is a member of ANDESCO.

ANDESCO, at Open's suggestion, asked the CEO to be a guest speaker at its annual conference in June to discuss issues that utility providers face in digital transformation.

At the April 4, 2023 work session, the Board indicated support to authorize the CEO to attend and speak at the conference in Colombia as a representative of the District. The motion above formalizes that work session discussion.

Background:

In 2020, the District entered into a contract with Open International to implement a new CIS system for the benefit of TVWD and Clean Water Services. Implementation is complete and we are now in the process of normalization. The initial term of the contract runs through 2025 and the District has an option for two, 5-year renewal periods.

Open International has implemented its proprietary CIS system primarily in Central and South America as well as Europe. TVWD is one of the first customers of Open in North America. The project has proceeded as planned. The most intense part of the work has been completed. The normalization process is iterative in nature and requires adjustments by TVWD and Open to optimize business processes and work out any bugs. On the horizon is the initiative for Advanced Meter Infrastructure (AMI) and monthly billing. Those initiatives, along with the ongoing normalization efforts, will require some additional effort by Open; therefore, there will likely be some contract negotiations in the future, but the scope and depth of work is unknown at this time.

Open had offered to pay all expenses for the CEO to attend and speak at the conference. At the April 4th work session, the Board stated that it would be beneficial to the District to have the CEO attend the conference and speak on behalf of the District regarding our experience with the CIS project and other issues relevant to digital transformation by utility service providers. However, the Board wants no appearance of impropriety because of the current contractual relationship with Open and indicated that the District should pay all expenses of travel, lodging, per diem allowances and reasonable business-related expenses as specified in the District's policies for the CEO to attend, represent, and speak for the District at this conference. In short, the District will pay for this conference as it would for the annual American Water Works Association ACE conference or similar events. Other non-reimbursed expenses incurred will be paid by the CEO.

Staff believes this authorization to attend and speak on behalf of the District can be accomplished by the above motion as part of the consent agenda. Of course, any Board member may ask that it be removed for discussion and separate vote. Otherwise, approval of the consent agenda will approve this matter.

Budget Impact:

The Adopted 2021-23 Biennial Budget included funding for the CEO to attend the AWWA Annual Conference and Exhibition in Toronto, Canada. Those funds would be redirected to this conference. As such, there are funds available for this matter.

Staff Contact Information:

Clark Balfour; General Counsel; 503-848-3061; clark.balfour@tvwd.org

Tom Hickmann, Chief Executive Officer; 503-848-3027; tom.hickmann@tvwd.org

Attachments:

None

Leadership Team Initials:

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





TUALATIN VALLEY

WATER DISTRICT

Date: May 17, 2023
To: Board of Commissioners
From: Paul L. Matthews, Chief Financial Officer
Subject: Acceptance of the Recommendations of the Rate Advisory Committee

Requested Board Action:

By motion, accept the report of the 2022-2023 Rate Advisory Committee.

Motion: I move that the Board accept the report of the 2022-2023 Rate Advisory Committee

Key Concepts:

- The Board of Commissioners appointed a Rate Advisory Committee (RAC) at its August 17, 2022 Regular Meeting to provide recommendations on potential Customer Assistance Programs (CAPs) for the District.
- The RAC members met at a series of public meetings between October 2022 and March 2023 to develop a consensus recommendation on a CAP.
- The RAC also developed consensus on advice to the Board on considerations for changing the percentage of revenue the District collects from its fixed and volume-based charges.
- The recommendations from the RAC are documented in a report titled *2022-2023 Rate Advisory Committee Recommendation*.
- Along with staff and consultants, a member of the RAC will present the recommendations and advice of the RAC.

Background:

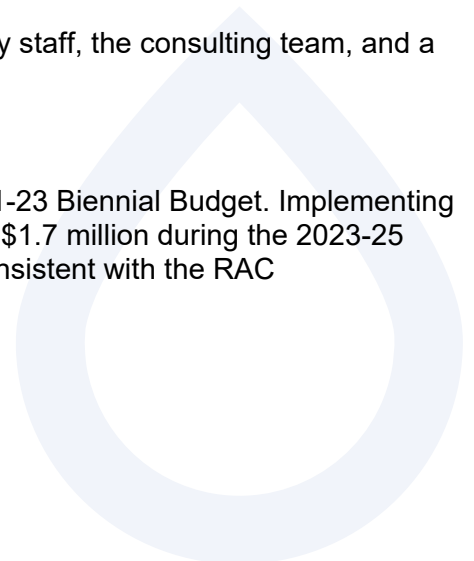
Anticipating growing concerns about future affordability of water to low-income customers, the District included a project to conduct an affordability analysis and RAC process in the Adopted 2021-2023 Biennial Budget. In keeping with the guidance from the Board, a key objective of the RAC process was the development of recommendations for a Customer Assistance Program (CAP).

The RAC consists of 17 volunteer members representing a variety of constituencies that met monthly on six different occasions. The RAC meetings were also attended by members of the Board. In addition, the Board appointed Commissioners Fisher and Duggan to serve as non-voting liaisons.

The Board will hear the results of the RAC's recommendations presented by staff, the consulting team, and a volunteer RAC member – Jessie Dhillon.

Budget Impact:

The cost of the Rate Advisory Committee was included in the Adopted 2021-23 Biennial Budget. Implementing the RAC's recommendations is estimated to cost the District approximately \$1.7 million during the 2023-25 biennium. The proposed 2023-25 Biennial Budget will include resources consistent with the RAC recommendations.



Staff Contact Information:

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

Andrea Watson; Communications and Public Affairs Supervisor; 503-848-3012; andrea.watson@tvwd.org

Attachments:

Report of the Rate Advisory Committee to the TVWD Board of Commissioners.

Leadership Team Initials:

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





TUALATIN VALLEY
WATER DISTRICT

2022-2023

Rate Advisory Committee Recommendation



**STRATEGIC PLANNING
& COMMUNICATIONS**



April 2023

Acknowledgments

Rate Advisory Committee Participants

Allie Syes	Kyle Walker
Carlos Romo	Lisa Montesana
Chai Saecheo	Long Tran
Chris Brown	Madi Hyde
Daryl Manullang	Samantha Rico
Deanna Palm	Steve Marks
Erin Walsh	Todd Speight
Jessie Dhillon	Zach Lindahl
June Boone	

Board of Directors

Position 1; Elliot Lisac
Position 2: Carl Fisher (RAC Liaison)
Position 3: Jim Duggan (RAC Liaison)
Position 4: Todd Sanders
Position 5: Jim Doane

Tualatin Valley Water District Staff

Tom Hickmann, Chief Executive Officer
Paul Matthews, Chief Financial Officer
Andrea Watson, Communications and Public Affairs Supervisor

Consultant Team

Jason Mumm, FCS Group
Libby Bakke, Consor
Jenna Franklin, Consor
Tammy Menkerud, Consor
Katie Wilson, Consor
Manny Teodoro, EJ Metrics



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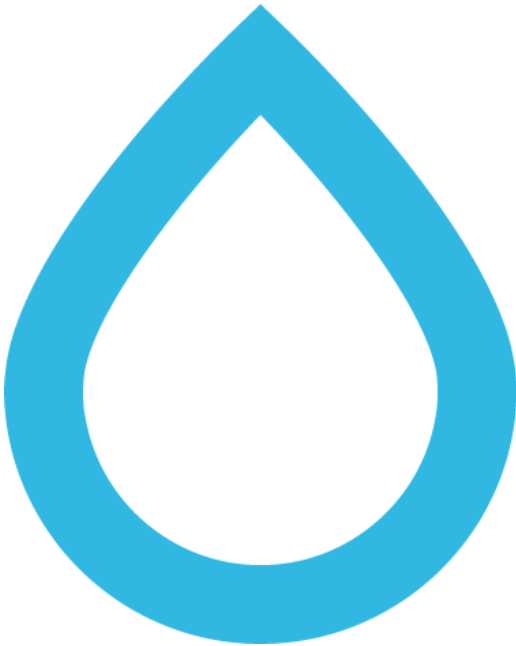
Executive Summary..... 1

Rate Advisory Committee Overview 3

Customer Assistance Program Recommendation 5

Rate Design: Variable & Volume Charges Advice..... 8

Appendices



Executive Summary

The affordability of water is an industry-wide, national challenge. Tualatin Valley Water District's efforts to build the Willamette Water Supply System (WWSS) to ensure a reliable and resilient water system require long-term investments with real costs for customers. Some customers can afford those costs – for others, it is more challenging.

Although the District's existing Customer Emergency Assistance Program is funded and active, the Board of Commissioners and District leadership understand the funding requirements for the WWSS will likely increase the number of customers needing help paying their bills. The District proactively convened a Rate Advisory Committee (RAC) in 2016-17 and 2022-23 to examine these critical public policy concerns.

The 2022-2023 Rate Advisory Committee (RAC) is a special committee appointed on August 17, 2022 to advise the Board regarding affordability and rate-related policy questions. The RAC comprises 17 members with diverse backgrounds and expertise, multiple customer classifications and district-wide geographic coverage.

The RAC met monthly from October 2022 to March 2023 to consider key facets of a Customer Assistance Program—qualification, funding and implementation—and to consider the impacts to customers of modifying its fixed and volume charges to reduce revenue volatility.

Tom Hickmann, Chief Executive Officer; Paul Matthews, Chief Financial Officer; Jason Mumm, FCS Group, and professional facilitators from Consor Strategic Planning & Communications provided the RAC with informative presentations to support the RAC's understanding of the need and options for consideration. A special presentation by Manny Teodoro, an expert on drinking water affordability, provided a national perspective on customer assistance programs. Commissioners Jim Duggan and Carl Fisher served as Board Liaisons to the RAC and attended the meetings.



Rate Advisory Committee (RAC) Timeline

May 18, 2022	Board adopts RAC Charter
May-July	RAC recruitment
July 20	Board appoints board liaisons
August 17	Board appoints RAC members
October 18	RAC Meeting #1
November 15	RAC Meeting #2
December 13	RAC Meeting #3
January 17, 2023	RAC Meeting #4
February 21	RAC Meeting #5
March 21	RAC Meeting #6
May 17	RAC Board recommendation

At the final RAC meeting on March 21, the RAC unanimously recommended a Percent Discount Customer Assistance Program for low-income customers to address the District's affordability issues (see box below).

The RAC also advised the District to gather more information and consider the timing of other initiatives and projects before changing the rate structure to adjust fixed and volume charges to reduce revenue volatility. Board consideration and adoption of a new Customer Assistance Program is the first step in setting up the Program, which is expected to be implemented over the 2023-25 biennium.

Recommended Percent Discount Customer Assistance Program

Who Can Qualify?

Single-family residential customers who qualify for the federal Low Income Home Energy Assistance Program (LIHEAP).

How Much Assistance is Available?

20% discount to the customer's water bill, to be managed by the Board in the future to maintain the program objectives.

How is the CAP Funded?

Proportionately to all customers. Estimated to be a \$0.16 extra fixed monthly charge for all customers, plus a \$0.05 addition to the volumetric water rates.

Program Estimates

- Estimated qualifying households: 9,000
- Estimated participation: 3,000
- Typical discount provided/month: \$15.89
- Estimated annual program: \$570,000

RAC Overview

2016-2017 RAC—A Look Back

In 2016, as part of a comprehensive rate study, the District formed the first Rate Advisory Committee to review five specific rate-related policy issues, including customer affordability issues and programs. The 2016-2017 RAC provided the following affordability recommendations, some of which have been implemented or are in progress:

Recommendation	Status
Monthly billing: Change the billing schedule from bimonthly to monthly for all customers.	A pilot study is underway and will be implemented in conjunction with AMI (Advanced Metering Infrastructure).
Levelized billing: Offer levelized billing as a billing option for residential customers.	Levelized billing is a possible future action.
Temporary/emergency assistance: Continue providing a Customer Emergency Assistance Program and additional customer outreach and education	Continued the program and adjusted it during COVID. The Customer Emergency Assistance Program was extensively used and very beneficial for customers in need. Now, it needs to be integrated with the proposed Customer Assistance Program.
Penalty forgiveness: Develop a policy to allow for the reduction, or waiver, of rate-related fees such as shut-off and turn-on fees	The CEO can designate who can make the adjustments and how much those adjustments can be. It has not yet been implemented. Penalty forgiveness can be part of the integrated customer assistance initiative, along with the Customer Emergency Assistance Program, and the proposed Customer Assistance Program.
Low-income rate: Not all RAC members supported a low-income Customer Assistance rate, and no recommendation was developed. Members concluded that the District management and Board should continue to review this issue to make a policy decision in the future	The 2022-2023 RAC was convened to consider this and make a recommendation.

Reconvening the RAC

In 2022, as a follow-up to the 2016 effort, the Board of Commissioners directed staff to revive the District's RAC to consider the need and form of a Customer Assistance Program and other affordability issues, including rate structure changes. The Board also appointed Commissioner Jim Duggan and Commissioner Carl Fisher to serve as Board Liaisons to the RAC and attend the meetings.

Andrea Watson, Communications and Public Affairs Supervisor, organized and implemented an extensive recruitment effort. Twenty-four applications were submitted representing customers with diverse backgrounds and expertise. There was also district-wide geographic coverage.

The Board RAC Liaisons reviewed the applications and staff recommendation for the 17 RAC members. RAC members were appointed to their roles at the August 17, 2022 Board meeting. Subsequently, one member resigned due to changes in their availability, and one was replaced due to a job change.



2022-2023 Rate Advisory Committee Members

Allie Syes	Kyle Walker
Carlos Romo	Lisa Mentasana
Chai Saecheo	Long Tran
Chris Brown	Madi Hyde
Daryl Manullang	Samantha Rico
Deanna Palm	Steve Marks
Erin Walsh*	Todd Speight
Jessie Dhillon	Zach Lindahl*
June Boone	

*Members who transitioned off the RAC

RAC Representation

Race

- 42% White
- 16% Asian
- 5 % Hispanic
- 5% Pacific Islanders
- 32% Unknown

Gender

- 44% Female
- 56% Male

RAC Assignment

The RAC met monthly from October 2022-March 2023 to consider key facets of a Customer Assistance Program—qualification, funding and implementation—and to consider the impacts to customers of modifying its fixed and volume charges to reduce revenue volatility.

Hybrid meetings were held at the District headquarters and online using MS Teams. Tom Hickmann, CEO, Paul Matthews, CFO, Jason Mumm, FCS Group, and professional facilitators from Consor Strategic Planning & Communications provided the RAC with informative presentations to support their understanding of the need and options for consideration. RAC members participated in roundtable discussions, polling, and round-the-table feedback. Opportunities for feedback were also provided through online comments and a survey.

The following questions were considered:

Issue 1. Affordability for financially vulnerable TVWD customers

- Is there a need for a more reliable and permanent Customer Assistance Program, in addition to emergency assistance?
- How should the program be funded?
- What eligibility qualifications are appropriate?
- How should the program be implemented?

Issue 2. Rate structure adjustments to reduce revenue volatility (fixed and volume charges)

- What impacts on the customer experience should be considered as the Board considers rate structure changes that?



Meeting Schedule

Date	Meeting Topic
October 18, 2022	Meeting #1—Kickoff <ul style="list-style-type: none">✓ RAC Assignments & Schedule✓ Things to Know About TVWD✓ Intro to Customer Assistance Programs and Q&A
November 15	Meeting #2—Customer Assistance Program <ul style="list-style-type: none">✓ Dr. Manuel Teodoro: CAP Context and Community Values✓ TVWD Service Area and Future Projections – What Does it Mean?✓ Assistance Program Considerations & Discussion
December 13	Meeting #3—Customer Assistance Program <ul style="list-style-type: none">✓ Customer Assistance Program Options✓ Roundtable Discussions and Report Back
January 17, 2023	Meeting #4—Customer Assistance Program & Fixed and Volume Charges <ul style="list-style-type: none">✓ Customer Assistance Program Options Group Discussion and Polling✓ Introduction to Fixed & Variable Components
February 21	Meeting #5—Fixed and Volume Charges & Customer Assistance Program <ul style="list-style-type: none">✓ TVWD Fixed & Variable Components Recap✓ Fixed & Variable Charges—Examples & Discussion✓ Customer Assistance Program Preview
March 21	Meeting #6—Recommendation <ul style="list-style-type: none">✓ Customer Assistance Program Recommendation✓ Fixed & Variable Rate Advice

Customer Assistance Program Recommendation

At the final RAC meeting on March 21, 2023, the RAC unanimously recommended a Percent Discount Customer Assistance Program for low-income customers to address the District’s affordability issues.

The Customer Assistance Program (Program) developed by the RAC is based on a percent discount approach that best meets the goals sought by RAC members.

- Focus should be on low-income households / single-family residential customers*
- Percentage discount to the bill is preferred
- Program should be equitable for larger households
- Recover program costs proportionately from a combination of fixed and volume charges from all customers
- Level of discount should reduce the risk of water shutoffs.
- Program funding should be “right-sized” and affordable for customers
- Water conservation is essential but not a driver for the customer assistance program
- Program funding should be adaptable to the realized participation each year
- Critical to keep the Customer Emergency Assistance Program in place and funded

*RAC members were also concerned about multifamily residents but recognized they do not receive bills from TVWD and therefore could not receive a bill discount.



RAC Recommendation Details

The RAC recommendation includes who qualifies, the amount of the discount and how the program should be funded.

Who can qualify?

Single-family residential customers who qualify for the federal Low Income Home Energy Assistance Program (LIHEAP).

How much assistance is available?

20% discount to the customer’s water bill, to be managed by the Board in the future to maintain the program objectives.

How is the Customer Assistance Program funded?

As an indirect cost to the District recovered proportionately from the fixed monthly and volume charges. Estimated to be a \$0.16 extra fixed monthly charge, plus a \$0.05 addition to the volumetric water rates.

Program Estimates	
•	Estimated qualifying households: 9,000
•	Estimated participation: 3,000
•	Typical discount provided/month: \$15.89
•	Estimated annual program: \$570,000

Jason Mumm, FCS Group, provided RAC bill discount examples based on projected 2023 rates for customers with a 5/8” meter.

2022 Estimates	Smaller User	Typical User	Large User
Monthly Usage	4 CCF	7 CCF	15 CCF
Volume Charge	\$31.70	\$55.48	\$122.26
Fixed Charge	\$23.96	\$23.96	\$23.96
Total Charge	\$55.66	\$79.44	\$146.22
CAP 20% Discount	(\$11.13)	(\$15.89)	(\$29.24)
Net Charge	\$44.53	\$63.55	\$116.97

Proposed District Implementation

The RAC also wanted to understand how the District would implement the program. Following is an overview of the implementation details shared with the RAC and a mockup Customer Assistance Program flyer in English and Spanish. The RAC provided helpful feedback on the flyer for refinement which will be used to create future promotional materials.

Responsible Department	Third-Party Administrator	Transparency	Funding
<ul style="list-style-type: none"> • Customer Service Department manages the program • Financial/budget management • Partnership management • Promotion 	<ul style="list-style-type: none"> • Partnership with local agency to qualify customers and offer other services • Excellent relationship with Community Action of Washington County – hope to continue that relationship 	<ul style="list-style-type: none"> • Track participation and report utilization to the Board monthly through TVWD’s existing <i>Month-in-Review</i> • Funding subject to TVWD’s Citizen Budget Process 	<ul style="list-style-type: none"> • Included in TVWD’s proposed biennial budget • Board and Budget Committee will assess program needs and funding capacity on biennial basis • Management will monitor needs and apprise the Board of any budget challenges

Customer Assistance Program Mockup Flyer

Customer Assistance Programs
Get help paying your water bill

Programas de Asistencia al Cliente
Obtenga ayuda para pagar su factura de agua

Assistance to Pay Your Bill
To help keep the water on, the District has immediate funding available to assist customers facing financial hardship pay their water bill.

- Emergency Assistance provides customers with a one time credit for life's surprises.
- Our NEW Customer Assistance Program provides a discount on each drinking water bill

Who's Eligible?
Income-qualified single-family residential customers at or below 60% of Oregon medium income per household size.

How Much is Available?
Customer Assistance provides a 20% discount off of each bill and Emergency Assistance receive a credit for up to 28 CCF's of water and fixed charges towards their balance.

How to Apply?
The District works with Community Action to get customers enrolled – visit twvd.org to learn more or caowash.org to apply.

What you'll need to apply:

- Recent copies of your bill
- Photo ID and proof of income for anyone 18 years or older
- Documentation showing income from Social Security, Unemployment Insurance, Pension Funds, or disability, etc.
- Social security numbers for everyone residing in the house
- Contact us if you if you need help

Asistencia para pagar su factura
Para ayudar a mantener el suministro de agua, el Distrito tiene fondos inmediatos disponibles para ayudar a los clientes que enfrentan dificultades financieras a pagar su factura de agua.

- Emergency Assistance brinda a los clientes un crédito único para las sorpresas de la vida.
- Nuestro NUEVO Programa de Asistencia al Cliente brinda un descuento en cada factura de agua potable

¿Quién es elegible?
Clientes residenciales unifamiliares calificados con ingresos iguales o inferiores al 60 % del ingreso medio de Oregón por tamaño de hogar.

¿Cuánto hay disponible?
Asistencia al cliente ofrece un 20 % de descuento en cada factura y Asistencia de emergencia recibe un crédito de hasta 28 CCF de agua y cargos fijos para su saldo.

¿Cómo aplicar?
El Distrito trabaja con Community Action para inscribir a los clientes: visite twvd.org para obtener más información o caowash.org para presentar su solicitud.

Lo que necesitará aplicar:

- Copias recientes de su factura
- Identificación con foto y comprobante de ingresos para cualquier persona mayor de 18 años
- Documentación que acredite los ingresos de la Seguridad Social, Seguro de Desempleo, Fondos de Pensiones, invalidez, etc.
- Números de seguro social de todas las personas que residen en la casa
- Contáctenos si necesita ayuda

Contact Us
(503) 848-3000
CustomerService@TVWD.org
www.twvd.org

CONTACTO
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www.twvd.org

Board consideration and adoption of a new Customer Assistance Program is the first step in setting up a Customer Assistance Program. Funding for the program is in the recommended Biennial Budget for 2023-2025. Implementation of the Program, including integration with the Customer Emergency Assistance Program, will get underway once formally approved by the Board of Commissioners.

Fixed & Volume Charges— RAC Advice

At RAC Meeting #6, the District asked the RAC if it should change its rate structure to recover more of its costs from fixed charges than it currently does to improve revenue stability. Jason Mum, FCS Group, provided a recap of the TVWD Rate Structure Fixed & Volume Components presentation from the RAC Meeting #5 that detailed the impacts of increasing fixed charges would be on District revenue recovery and customers' bills.

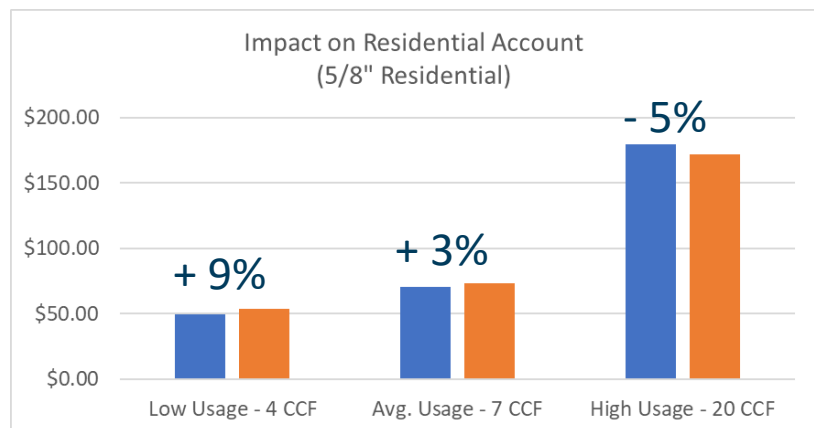
Impact on Revenue and Customers

Revenue Recovery

- To increase the % of the District's revenue from fixed charges to 30%, the District would need to increase fixed monthly charges by approximately 35% (2022).
- Volume rates would need to decrease by 10% to maintain revenue neutrality.
- The District would expect to recover more revenue during downturns in demand (cool summers).
- Stability in the District's revenue is improved about 1% for every 10% decrease in demand.

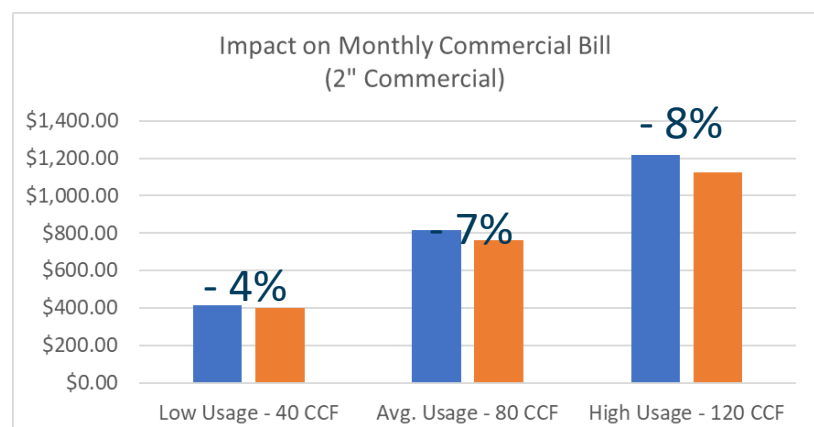
Residential Customers

- The lowest-volume users would experience the largest percentage increase in costs because the fixed charge is a larger part of their total bills.
- The higher the monthly volume, the more a customer would benefit.
- Discretionary water usage becomes cheaper.
- Incentive for conservation is potentially decreased.
- Potentially difficult outcome relative to the affordability discussion.



Commercial Customers

- Fixed charges are a relatively smaller part of commercial bills, so they will tend to benefit.
- Industrial users with very high usage would likely benefit the most.
- Same conservation issues as with the residential impacts.



Some of these effects could be mitigated by redesigning rates in a comprehensive rate study.



RAC Advice

The RAC considered the information and provided the following advice for consideration.

1. Clearly state the need for the change.

“Need to articulate why.”

“Explain why.”

2. Complete the Cost-of-Service Study and consider the timing of other initiatives and projects—to be better able to determine the course of action.

“Do a rate study.”

“Push up the Cost-of-Service Study”

“Need data.”

“This is complex. High-water users could be subsidizing low-water users right now. Have to collect the data to see what the shift will be.”

3. Work not to impact low-water users and low-income customers.

“This is a community utility. Understand that we want to reduce risk from volatility. This could offset the benefits of the customer assistance program.”

“We talked about recommending a customer assistance program, then went to this topic. There is some dissonance to this.”

“What other changes could be made?”

“Hurts low-income”

Appendices

Meeting Packages



April 2023



TUALATIN VALLEY

WATER DISTRICT

Date: May 17, 2023
To: Board of Commissioners
From: Paul L. Matthews, Chief Financial Officer
Subject: Update on the District's Planned Revenue Bond Issuance

Key Concepts:

- To fund its investment in infrastructure and the Willamette Water Supply System (WWSS), the District plans to sell revenue bonds this spring.
- The proposed revenue bonds are anticipated to provide approximately \$82.5 million to pay for capital projects and issuance costs.
- The proposed revenue bonds are being issued under the authority provided by Ordinance 01-19 adopted by the Board of Commissioners on April 17, 2019.

Background:

The District funds investment in infrastructure from a combination of sources. These sources include capital reserves, system development charges, water rates, and proceeds from long-term debt. As part of its financial strategy, the District plans to issue revenue bonds that will provide approximately \$82.5 million to pay for its investment in capital projects including its investment in the WWSS, and to pay for the cost of issuing the bonds.

Management has provided a draft of the District's preliminary official statement to the Board prior to it being finalized. Management will present information on the proposed bond issue to allow the Board to effectively manage the District's financial affairs.

Budget Impact:

The issuance of the proposed revenue bonds may allow the Board to increase appropriations of transfers from the District's Bond Proceeds Fund to its Capital Reserve Fund and/or Capital Improvement Fund. Amending the District's Adopted 2021-23 Biennial Budget to increase the appropriations for transfers of funds is not currently proposed.




Staff Contact Information:

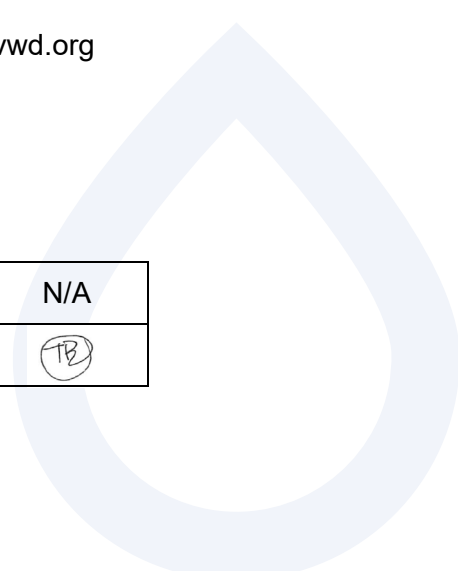
Paul L. Matthews; Chief Financial Officer; 503-848-3017; paul.matthews@tvwd.org

Attachments:

None

Leadership Team Initials:

Chief Executive Officer		Customer Service Manager	N/A
Chief Operating Officer		IT Services Director	



Chief Financial Officer	<i>Pon</i>	Human Resources Director	N/A
General Counsel	<i>CB</i>	Water Supply Program Director	