



2023 Resolution Listing

January 18, 2023

Resolution 01-23 – A resolution adopting the investment policy for the Tualatin Valley Water District

Resolution 02-23 – A resolution by the Local Contract Review Board declaring an exemption from competitive bidding for the 189th Pump Station and Pipeline Project and authorizing a progressive design-build contract

February 15, 2023

Resolution 03-23 – A resolution amending System Development Charges for the Tualatin Valley Water District and declaring an effective date.

March 15, 2023

Resolution 04-23 - A resolution approving the 2023-25 biennium strategic initiatives and financial strategy for the Tualatin Valley Water District.

April 19, 2023

Resolution 05-23 - A resolution revising the mission and values statements for the Tualatin Valley Water District

Resolution 06-23 - A Resolution adopting the 2023 Washington County Multi-Jurisdiction Natural Hazard Mitigation Plan (NHMP)

May 17, 2023

Resolution 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

June 21, 2023

Resolution 08-23 - A resolution adopting the budget and making appropriations for the Tualatin Valley Water District for the 2023-25 biennium.



2023 Resolution Listing

July 19, 2023

Resolution 09-23 – A resolution repealing COVID related Resolutions 08-20 and 09-21

Resolution 10-23 – A resolution of the Local Contract Review Board repealing COVID related Resolution 07-20

Resolution 11-23 – A resolution approving the District's financial plan for the 2023-2025 biennium.

Resolution 12-23 – A resolution establishing a process for proposed adjustments to water rates for the 2023-25 biennium.

Resolution 13-23 – A resolution approving the intergovernmental agreement between Tualatin Valley Water District and the City of Beaverton for short term emergency water use.

September 20, 2023

Resolution 14-23 – A resolution establishing water rates and other charges for the Tualatin Valley Water District with an effective date of November 1, 2023.

Resolution 15-23 – A resolution approving the intergovernmental agreement between Tualatin Valley Water District and the City of Beaverton for meter reading services.

Resolution 16-23 – A resolution to name the 209th avenue and Farmington road facility in honor of Richard D. Schmidt.

October 3, 2023

Resolution 17-23 – A resolution appointing Paul Matthews as the Interim Chief Executive Officer



2023 Resolution Listing

November 15, 2023

Resolution 18-23 – A resolution adopting 2023-25 supplemental budget establishing the system development charges fund, 2023 revenue bond fund, and 2024 revenue bond fund, and adjusting appropriations for 2023-25 biennium.

Resolution 19-23 – A resolution endorsing the annexation to the tualatin valley water district tax lot 200 and portions of tax lot 100 on washington county assessor’s tax map 1n1-21ab.

Resolution 20-23 – A resolution amending the local contract review board (lcrb) rules to align with oregon revised statutes.

December 20, 2023

Resolution 21-23 – A resolution establishing regular monthly meeting dates of the Board of Commissioners for the calendar year 2024

Resolution 22-23 – A resolution approving the amended and restated intergovernmental agreement of Regional Water Supply Consortium (2023)

Resolution 23-23 – A resolution approving the Chief Executive Officer employment agreement between Tualatin Valley Water District and Paul Matthews



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 01-23

A RESOLUTION ADOPTING THE INVESTMENT POLICY FOR THE TUALATIN VALLEY WATER DISTRICT.

WHEREAS, the Board of Commissioners (Board), in compliance with ORS 294.135, adopts the District's Investment Policy annually; and

WHEREAS, the Investment Policy was last adopted by the Board through its approval of Resolution 01-22 on January 19, 2022; and

WHEREAS, the Investment Policy provides guidance on investment decisions and operating principles for the effective management of financial risk, portfolio diversification and internal controls, and allows for the purchase of investments having a maturity longer than 18 months as allowed by ORS 294.135; and

WHEREAS, the Investment Policy remains in compliance with ORS 294.035 regulating the investment of public funds by municipal subdivisions and policy guidelines established by the State of Oregon Short Term Fund (OSTF) Board; and

WHEREAS, the OSTF Board approved the District's Investment Policy in April 2009, and subsequent amendments to the Investment Policy since that time have conformed with OSTF guidance; and

WHEREAS, there are no recommended changes for the Investment Policy, and being fully advised.

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

Section 1: The Investment Policy attached hereto as Exhibit A and incorporated by reference is hereby adopted, and staff is directed to implement in the ordinary course of the District's business.

Approved and adopted at a regular meeting held on the 18th day of January 2023.

Todd Sanders, President

Jim Doane, Secretary

Exhibit A

INVESTMENT POLICY



TUALATIN VALLEY
WATER DISTRICT

Adopted January 18, 2023

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1. SCOPE

This policy applies to activities of Tualatin Valley Water District (District) with regard to investing the financial assets of all funds as defined by the District in its Chart of Accounts except that funds held by trustees or fiscal agents are excluded from these rules; however, all funds are subject to regulations established by the State of Oregon.

The purpose of this Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements, and safekeeping and custodial procedures necessary for the prudent management and investment of the funds of the District.

This policy has been adopted by Resolution No. 01-23 by the District's Board of Commissioners on January 18, 2023 and replaces the District's previous Investment Policy.

Other than bond proceeds or other unusual situations, the total of all funds ranges from \$40,000,000 to \$180,000,000. The Chart of Accounts currently defines the following funds that are not held by trustee or fiscal agent:

- 1.) Cash Pool
- 2.) General Fund
- 3.) Capital Improvement Fund
- 4.) Capital Reserve Fund
- 5.) Debt Proceeds Fund
- 6.) Revenue Bond Debt Service Fund
- 7.) Willamette River Water Coalition
- 8.) Customer Emergency Assistance Fund
- 9.) Willamette Intake Facilities
- 10.) Willamette Water Supply System

If, in the course of its activities, the District should define further funds (not held by trustee or fiscal agent), these rules shall also apply to the investment of the financial assets of those new funds. These funds will be invested in compliance with the provisions of, but not necessarily limited to, ORS 294.035 through ORS 294.048; and ORS 294.125 through ORS 294.155. Investment of any tax-exempt borrowing proceeds and any related debt service funds will comply with the arbitrage restrictions on all applicable Internal Revenue Codes.

The District acts as collection agent for several other utilities. These funds are to be transferred to the respective agency in compliance with the intergovernmental agreements. Currently the agreements vary from two business days from receipt, the second business day following the week of collection, and twice a month following the 15th and end of month. The method of transfer is by requesting a Pool-to-Pool account transfer at the Local Government Investment Pool (LGIP), a check, or an automated clearing house (ACH) deposit if the agency requests it.

2. GOVERNING AUTHORITY

The investment program shall be operated in conformance with federal, state, and other legal requirements. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145 and 294.810. All funds within the scope of this policy are subject to regulations established by the state of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

3. OBJECTIVES

The District's investment objectives are as follows:

3.1: Safety

- Preservation of capital and the protection of principal.
- Diversification to avoid incurring unreasonable risks regarding specific security types or individual issuers.

3.2: Liquidity

- Maintenance of sufficient liquidity to meet operating requirements.

3.3: Limit Risk

- Avoidance of imprudent credit, market, or speculative risk.

3.4: Legality

- Conformance with federal, state, and other legal requirements.

3.5: Return

- Attainment of a market rate of return throughout all economic and fiscal cycles.

4. STANDARDS OF CARE

4.1: Delegation of Authority

- The Chief Financial Officer is the designated Investment Officer of the District and is responsible for investment decisions, under the review of the Board of Commissioners. The Chief Financial Officer may delegate authority to another member of the Finance and Information Technology Department to perform all or some of the duties of the Investment Officer.
- The Investment Officer is responsible for setting investment policy and guidelines subject to review and adoption by the Board of Commissioners and, if required, review and comment by the Oregon Short Term Fund Board. Further, the Investment Officer will be responsible for the day-to-day operations of the investment process which include, but are not limited to, choosing what to buy or sell, from whom investments will be purchased, executing the buy/sell orders, producing necessary reports, and supervising staff. In addition to the active management of the investment portfolio, the Investment Officer is responsible for the maintenance of other written administrative procedures consistent with this policy and the requisite compliance.
- To further manage the risk and return of the investment portfolio, the Investment Officer will administer an active cash management program that maintains historical cash flow information (e.g., debt service, payroll, revenue receipts, and any extraordinary expenditures).
- Subject to required procurement procedures, the District may engage the support services of outside professionals and services as necessary for the efficient management of the investment program. External service providers shall be subject to Oregon Revised Statutes and the provisions of this Investment Policy. The Advisor shall provide non-discretionary advisory services, which requires prior approval from the Investment Officer. If the District hires an Investment Advisor to provide investment advisory services, the Advisor is authorized to transact with its direct dealer relationships on behalf of the District.

4.2: Prudence

- The standard of prudence to be used by the Investment Officer in the context of managing the financial resources shall be the “prudent person” standard, which states: “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”
- The Investment Officer and staff, acting in accordance with the Investment Policy and exercising due diligence, shall not be held personally responsible for a specific security’s credit risk, market price changes, or loss of principal if securities are liquidated prior to maturity provided these deviations and losses are reported as soon as practical and action is taken to control adverse developments.

4.3: Ethics and Conflict of Interest

- District officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the Chief Executive Officer any material interests in financial institutions with which they conduct business. They shall further disclose any person financial/investment positions that could be related to the performance of the investment portfolio. Employees, officers and their families shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District. Officers and employees shall, at all times, comply with the State of Oregon’s Government Ethics requirements set forth in ORS 244.

5. SAFEKEEPING, ACCOUNTING, AND CONTROLS

5.1: Safekeeping and Collateralization

- All trades of marketable securities will be executed on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the District’s safekeeping institution prior to the release of funds. The trust department of a bank may be designated as custodian for safekeeping securities purchased from that bank. The custodian shall provide monthly statements and accrual basis reports to Tualatin Valley Water District listing security holdings, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, accrued interest, and other pertinent information. The custodian shall also provide daily access regarding pending investment transactions, future call notices, and any other important information. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16.
- Demand and time deposits shall be collateralized through the State collateral pool as required by ORS 295 for any excess over the amount insured by an agency of the US Government. Additional collateral requirements may be required if the Chief Financial Officer or the Investment Officer deems increased collateral is beneficial to the protection of the monies under the District’s management.

5.2: Accounting Method

- The District shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of the authoritative bodies including, but not necessarily limited to, the American Institute of Certified Public Accountants (AICPA); the Financial Accounting Standards Board (FASB); and the Government Accounting Standards Board (GASB).

5.3: Internal Controls

- The Investment Officer shall maintain a system of written internal controls which shall be reviewed and tested by the independent auditor at least annually or upon any extraordinary event, e.g., turnover of key personnel, the discovery of any inappropriate activity. The internal controls shall address the following points at a minimum:
 - i. Compliance with Investment Policy
 - ii. Control of Collusion
 - iii. Separation of transaction authority from accounting and record keeping
 - iv. Custodial safekeeping
 - v. Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary
 - vi. Clear delegation of authority to subordinate staff members
 - vii. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form
 - viii. Dual authorizations of wire and automated clearing house (ACH) transfers
 - ix. Staff training
 - x. Review, maintenance and monitoring of security procedures both manual and automated

6. QUALIFIED INSTITUTIONS, INVESTMENT ADVISORY SERVICES, AND COMPETITIVE TRANSACTIONS

6.1: Qualified Financial Institutions – Broker/Dealers

- The Investment Officer, and if applicable, the investment advisory firm as described in Section 6.3, shall maintain a list of all authorized broker/dealers and financial institutions which are approved for investing funds within the scope of this investment policy. Any firm is eligible to make an application to the District, and on due consideration and approval, may be added to the list. Additions or deletions to the list will be made at the Investment Officer's discretion. The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.
 - a. Broker/Dealer firms must meet the following minimum criteria:
 - i. Be registered with the Securities and Exchange Commission (SEC);
 - ii. Be registered with the Financial Industry Regulatory Authority (FINRA);
 - iii. Provide most recent audited financials;
 - iv. Provide FINRA Focus Report filings.
 - b. Approved broker/dealer employees who execute transactions with the District must meet the following minimum criteria:
 - i. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
 - ii. Be licensed by the state of Oregon;
 - iii. Provide certification (in writing) of having read; understood; and agreed to comply with the most current version of this investment policy.
- At the request of the District, the firms performing investment services shall provide their most recent financial statements for review. Further, there should be in place, proof as to all the necessary credentials and licenses held by employees of the broker/dealers who will have contact with the District as specified by, but not necessarily limited to, the Financial Industry Regulatory Authority (FINRA), Securities and Exchange Commission (SEC), etc. The District, or District's Investment Advisory Firm, shall conduct an annual evaluation of each firm's creditworthiness to determine if it should remain on the list. Securities broker/dealers not affiliated with a bank shall be required to be registered in the state of Oregon or be classified as reporting dealers affiliated with the Federal Reserve as primary dealers.

- If an investment advisory firm is retained by the District to execute transactions on the District's behalf, it will have authority to execute investment trades and transactions from its list of authorized broker/dealers and financial institutions. The advisor's broker/dealer list will be provided to the Investment Officer for approval. The Investment Officer can assign the responsibility of the broker/dealer due diligence process to the advisor, and all licensing information on the counterparties will be maintained by the advisor and available upon request.

The advisor broker/dealer review should include:

- i. FINRA Certification check
- ii. Firm Profile
- iii. Firm History
- iv. Firm Operations
- v. Disclosures of Arbitration Awards, Disciplinary and Regulatory Events
- vi. State Registration Verification
- vii. Financial review of acceptable FINRA capital requirements or letter of credit for clearing settlements.

The advisor must provide the District with any changes to the list prior to transacting on behalf of the District.

6.2: Qualified Financial Institutions – Banks

- All bank financial institutions that provide deposits, certificates or any other deposit of the District must be either fully covered by the Federal Deposit Insurance Corporation (FDIC) or the bank must be a participant of the State of Oregon – Public Funds Collateralization Program (PFCP). ORS Chapter 295 governs the collateralization program for banks at the State level. Bank depositories are required to pledge collateral against any public fund deposits in excess of the FDIC insurance amounts. This provides additional protection for public funds in the event of a bank loss. ORS 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS 295 creates a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected.

6.3: Investment Advisory Services

- The District may enter into contracts with external investment advisory firms as it applies to the investment of its short-term operating funds and capital funds including bond proceeds and bond reserve funds. The investment advisory firm must work on a non-discretionary basis, which requires that the Investment Officer approves all transactions prior to execution.
- If an investment advisor is hired, the advisor will serve as fiduciary for the District and comply with all requirements of this Investment Policy. The Investment Officer remains the person ultimately responsible for the prudent management of the portfolio.
- Factors to be considered when hiring an investment advisory firm may include, but are not limited to:
 - i. The firm's major business
 - ii. Ownership and organization of the firm
 - iii. The background and experience of key members of the firm, including portfolio manager expected to be responsible for the District's account
 - iv. The size of the firm's asset base, and the portion of that base which would be made up by Tualatin Valley Water District's portfolio if the firm were hired
 - v. Management fees
 - vi. Cost analysis by Investment Officer

- A periodic (at least annual) review of all authorized investment advisors under contract will be conducted by the Investment Officer to determine their continued eligibility within the portfolio guidelines.
- Requirements of Investment Advisors
 - i. The investment advisor firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon; *(Note: Investment advisor firms with assets under management exceeding \$100 million must be registered with the SEC, otherwise the firm must be licensed by the State of Oregon).*
 - ii. All investment advisor firm representatives conducting investment transactions on behalf of the District must be registered representatives with FINRA.
 - iii. All investment advisor firm representatives conducting investment transactions on behalf of District must be licensed by the State of Oregon.
 - iv. Contract terms will include that the Investment advisor will comply with the District's Investment Policy.
- The Investment Advisor must notify the District immediately if any of the following issues arise while serving under a District Contract:
 - i. Pending investigations by securities regulators
 - ii. Significant changes in net capital
 - iii. Pending customer arbitration cases
 - iv. Regulatory enforcement actions

6.4: Competitive Selection of Bids or Offers

- Each investment transaction shall be competitively transacted with broker/dealers who have been authorized by the District or investment advisory firm. At least two broker/dealers shall be contacted for each transaction and their bids and offering prices shall be recorded. A record, subject to District archiving policy, shall be maintained by the District of all bids and offerings for security transactions in order to ensure that the District receives competitive pricing.
- If the District is offered a security for which there is no readily available competitive offering, then the Investment Officer shall document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

7. AUTHORIZED AND SUITABLE INVESTMENTS

7.1: Authorized Investments

- All investments of the District shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for Investment Officer including not committing to invest funds or sell securities more than 14 business days prior to the anticipated date of settlement), ORS 294.805 to 294.895 (Local Government Investment Pool). Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately on being enacted.
- This policy recognizes S&P, Moody's, and Fitch Ratings as the major Nationally Recognized Statistical Ratings Organizations (NRSRO).
- In the case of split ratings, where the major NRSROs issue different ratings, the lower rating shall be used to determine compliance with this investment policy. Minimum credit ratings and percentage limitations apply to the time of purchase.

7.2: Suitable Investments

US Treasury Obligations: Direct obligations of the United States Treasury whose payment is guaranteed by the United States. [ORS 294.035(3)(a)]

US Agency Obligations Primary: Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE) that have actively traded markets and provide a higher level of liquidity. These include: Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB).

US Agency Obligations Secondary: Other US government sponsored enterprises that are less marketable are considered secondary GSEs. They include but are not limited to: Private Export Funding Corporation (PEFCO), Tennessee Valley Authority (TVA), Financing Corporation (FICO) and Federal Agricultural Mortgage Corporation, (Farmer Mac).

Municipal Debt: Lawfully issued debt obligations of the States of Oregon, California, Idaho, and Washington and political subdivisions of those states if the obligations have a long-term rating of AA- or better by S&P, Aa3 or better by Moody's, or AA- or better by Fitch.

Corporate Notes: Corporate Notes must be rated AA- or better by S&P, Aa3 or better by Moody's, or AA- or better by Fitch [ORS 294.035(3)(b)].

Commercial Paper: Commercial Paper must be rated A1 or better by Standard and Poor's, P1 or better by Moody's Services, or F1 or better by Fitch [ORS 294.035(3)(b)] and has long-term bonds which have a minimum rating of AA- by Standard and Poor's and Aa3 by Moody's. Issuer constraints for commercial paper combined with corporate notes will be limited by statute to 5% of market value per issuer.

Bank Deposit/ Savings Accounts: Time deposit open accounts or savings accounts in insured institutions as defined in ORS Section 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in Oregon [ORS Section 294.035(3)(d)].

Certificates of Deposit: Certificates of deposit in insured institutions as defined in ORS 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in Oregon [ORS Section 294.035(3)(d)].

Bankers' Acceptances: Bankers' acceptances, if the bankers' acceptances are: (i) Guaranteed by, and carried on the books of, a qualified financial institution; (ii) Eligible for discount by the Federal Reserve System; and (iii) Issued by a qualified financial institution whose short-term letter of credit rating is rated AAA by S&P, Aaa by Moody's, or AAA by Fitch. For the purposes of this paragraph, "qualified financial institution" means: (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or (ii) A financial institution that is wholly owned by a financial holding company or a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon. [ORS 294.035(3)(h)]

Local Government Investment Pool: State treasurer's local short-term investment fund up to the statutory limit per ORS 294.810.

8. INVESTMENT PARAMETERS

8.1: Investment Maturity

- The Investment Officer may invest funds that are related to cash flows for future construction projects or that are being accumulated for future renewal and replacement of infrastructure, by purchasing

securities that will be held for a maximum of 5 years. Except for the aforesaid funds and funds requiring special handling (bond proceeds subject to arbitrage, etc.), investments beyond 5 years require the express approval of the Board of Commissioners. The first priority will be to invest in maturities that match liquidity needs of the District. Thereafter, the District shall target to maintain maturities within the following parameters for the total portfolio:

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 1 year	25%
Under 5 years	100%
Maturity Constraints	Maximum of Total Portfolio in Years
Weighted Average Maturity	2.00
Security Structure Constraint	Maximum % of Total Portfolio
Callable Agency Securities	25%

- Five-years maximum maturity of any single issue.
- Further, the District shall target the weighted average maturity (WAM) of the total fund to one year which includes both liquidity funds and core investments.
- Cash flow projections will be reviewed and updated at least monthly and will be the controlling guide to establishing maturities. Maturities will be selected to ensure that sufficient cash is available to meet requirements. At least one month’s estimated cash operating requirements will be maintained in the Local Government Investment Pool (LGIP) at all times.

8.2: Portfolio Diversification

Diversification Constraints on Total Holdings: Liquidity and Core Funds

Issue Type	Maximum % Holdings	Maximum % per Issuer	Ratings S&P	Ratings Moody’s
US Treasury Obligations	100%	None	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	40%	N/A	N/A
US Agency Secondary Securities FICO, FARMER MAC etc.	10%	5%	Security must be rated	Security must be rated
Municipal Bonds (OR, CA, ID, WA)	10%	5%	AA-	Aa3
Corporate Notes	35%*	5%**	AA-	Aa3
Commercial Paper			A1	P1
Bank Time Deposits/Savings Accounts	20%	10%	Oregon Public Depository	Oregon Public Depository
Certificates of Deposit	10%	5%	Oregon Public Depository	Oregon Public Depository
Banker’s Acceptance	25%	5%	AAA Underlying	Aaa Underlying
Oregon Short Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A

*35% maximum combined corporate and commercial paper per ORS.

**Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

8.3: Prohibited Investments

- The District shall not invest in “144A” private placement securities, this includes commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933.
- The District shall not lend securities nor directly participate in a securities lending or reverse repurchase program.
- The District shall not purchase mortgage-backed securities.
- The District will not purchase, per ORS 294.040, any bonds of issuers listed in ORS 294.035(3)(a) to (c) that have a prior default history.

8.4: Investment of Proceeds from Debt Issuance

- Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the parameters of this policy and the applicable bond covenants and tax laws.
- Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and are maturity matched with outflows. Consequently, surplus funds within the scope of ORS 294.052 are not subject to this policy’s liquidity risk constraints within Section 8.1.

8.5: Investment of Reserve or Capital Improvements

- Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project monies may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the governing body of the county, municipality, school district or other political subdivision, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used.

9. INVESTMENT POLICY COMPLIANCE

9.1: Compliance Report

- A compliance report shall be maintained quarterly to document the portfolio versus the investment policy.

9.2: Compliance Measurement and Adherence

- Compliance Measurement
 - i. Guideline measurements will use market value of investments based in investment parameters.
 - ii. Rating and distribution criteria will be based on the settlement date of each purchase.
- Compliance Procedures
 - i. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
 - ii. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the Board of Commissioners.

- iii. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.
- iv. As determined on any date that the security is held within the portfolio. If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Investment Officer shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Investment Officer will apply the general objectives of safety, liquidity and legality to make the decision.

10. REPORTING REQUIREMENTS AND PERFORMANCE MEASUREMENT

10.1: Reporting Requirements

- The Investment Officer shall generate monthly reports for management purposes. The Board of Commissioners will be provided with reports which will include but not necessarily be limited to; portfolio activity, instruments held by type, investment allocations by maturity, estimated market valuations, as well as any narrative necessary for adequate clarification.

10.2: Performance Evaluation

- The portfolio will be invested into a predetermined structure that will be measured against a selected benchmark portfolio. The structure will be based upon a chosen minimum and maximum effective duration and will have the objective to achieve market rates of returns over long investment horizons. The purpose of the benchmark is to appropriately manage the risk in the portfolio given interest rate cycles. The core portfolio is expected to provide similar returns to the benchmark over interest rate cycles but may underperform or outperform in certain periods. The portfolio will be positioned to first protect principal and then achieve market rates of return. The benchmark used will be a 0-3 year or 0-5 year standard market index and comparisons will be calculated monthly and reported quarterly.
- When comparing the performance of the District's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.
- The mark to market pricing will be calculated monthly and be provided in a monthly report.
- The Investment Advisor shall make available quarterly and annual reports to the District that contains sufficient information to permit an informed outside reader to evaluate the performance of the investment program.

10.3: Monitoring and Adjusting the Portfolio

- The Investment Officer will routinely monitor the contents of the portfolio comparing the holdings to the markets, relative values of competing instruments, changes in credit quality, and benchmarks. If there are advantageous transactions, the portfolio may be adjusted accordingly.
- The policies set forth in this document will be adhered to and monitored on a monthly basis.

11. INVESTMENT POLICY ADOPTION

This Investment Policy will be formally adopted by the Board of Commissioners; and thereafter, this policy will be readopted annually, even if there are no changes. Prior to adoption by the Board of Commissioners, if changes to the Investment Policy require review and comment by the Oregon Short Term Fund Board, such review will be sought prior to formal adoption.

12. GLOSSARY OF INVESTMENT TERMS

Accrued Interest: The interest accumulated on a security since the issue date or since the last coupon payment. The buyer of the security pays the market price plus accrued interest.

Agency Securities: Government sponsored enterprises of the US Government.

Basis Point: One-hundredth of 1 percent. One hundred basis points equal 1 percent.

Bond: An interest-bearing security issued by a corporation, government, governmental agency, or other body. It is a form of debt with an interest rate, maturity, and face value, and it is usually secured by specific assets. Most bonds have a maturity of greater than one year and generally pay interest semiannually.

Bond Discount: The difference between a bond's face value and a selling price, when the selling price is lower than the face value.

Broker: An intermediary who brings buyers and sellers together and handles their orders, generally charging a commission for this service. In contrast to a principal or a dealer, the broker does not own or take a position in securities.

Callable: A bond that may be redeemed by the issuer before maturity for a call price specified at the time of issuance.

Call Date: The date before maturity on which a bond may be redeemed at the option of the issuer.

Collateral: Securities or other property that a borrower pledges as security for the repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Commercial Paper: Short-term, unsecured, negotiable promissory notes issued by businesses.

Commission: Broker's or agent's fee for purchasing or selling securities for a client.

Core Fund: Core funds are defined as operating fund balance which exceeds the District's daily liquidity needs.

Corporate Notes: A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

Coupon Rate: The annual rate of interest that the issuer of a bond promises to pay to the holder of the bond.

Coupon Yield: The annual interest rate of a bond, divided by the bond's face value and stated as a percentage. This usually is not equal to the bond's current yield or its yield to maturity.

Current Maturity: The amount of time left until an obligation matures. For example, a one-year bill issued nine months ago has a current maturity of three months.

Current Yield: The remaining or final interest due on a security as a percentage of a security's market price.

CUSIP: The Committee on Uniform Security Identification Procedures, which was established under the auspices of the American Bankers Association to develop a uniform method of identifying municipal, U.S. government, and corporate securities.

Dealer: An individual or firm that ordinarily acts as a principal in security transactions. Typically, dealers buy for their own account and sell to a customer from their inventory. The dealer's profit is determined by the difference between the price paid and the price received.

Delivery: Either of two methods of delivering securities: delivery vs. payment and delivery vs. receipt (also called “free”). Delivery vs. payment is delivery of securities with an exchange of money for the securities. Delivery vs. receipt is delivery of securities with an exchange of a signed receipt for the securities.

Discount: The reduction in the price of a security; the difference between its selling price and its face value at maturity. A security may sell below face value in return of such things as prompt payment and quantity purchase. “At a discount” refers to a security selling at less than the face value, as opposed to “at a premium”, when it sells for more than the face value.

Full Faith and Credit: Indicator that the unconditional guarantee of the issuer (e.g., the United States government, State of Oregon) backs the repayment of a debt.

Government Bonds: Securities issued by the federal government; they are obligations of the U.S. Treasury. Also known as “governments.”

Government Sponsored Enterprise (GSE): Financial services corporations created by the United States government. Their function is to enhance the flow of credit to targeted sectors of the economy, make those segments of the capital market more efficient, and reduce the risk to investors. The desired effect of the GSEs is to enhance the availability and reduce the cost of credit to the targets. Examples include Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), and Federal Farm Credit Banks (FFCB).

Interest: Compensation paid, or to be paid, for the use of money. The rate of interest is generally expressed as an annual percentage.

Interest Rate: The interest payable each year on borrowed funds, expressed as a percentage of the principal.

Investment Advisor or Manager: An investment advisor that acts on a non-discretionary basis to provide investment and risk strategies. The advisor must act in a fiduciary capacity.

Investment Portfolio: A collection of securities owned by the District and held by a custodian.

Investment Securities: Securities purchased for an investment portfolio, as opposed to those purchased for resale to customers.

Liquidity: The ease at which a security can be bought or sold (converted to cash) in the market. A large number of buyers and sellers and a high volume of trading activity are important components of liquidity.

Liquidity Component: A percentage of the total portfolio dedicated to providing liquidity needs for the District.

Local Government Investment Pool: Oregon's Local Government Investment Pool (LGIP) created by Oregon Laws in 1973, Chapter 748. It is a diversified portfolio offered to eligible participants of the State of Oregon. The Local Government Investment Pool is an alternate investment vehicle offered to participants that includes, but is not limited to, any municipality, political subdivision or public corporation of Oregon that by law is made the custodian of, or has control of, any public funds. The LGIP is commingled with the State's short-term funds.

Mark to Market: Adjustment of an account or portfolio to reflect actual market price rather than book price, purchase price, or some other valuation.

Mortgage-Backed Securities: Mortgage-backed securities are debt obligations that represent claims to the cash flows from pools of mortgage loans, most commonly on residential property. Mortgage loans are purchased from banks, mortgage companies, and other originators and then assembled into pools by a

governmental, quasi-governmental, or private entity. The entity then issues securities that represent claims on the principal and interest payments made by borrowers on the loans in the pool, a process known as securitization. Senior debentures of GSE's Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC) are not considered mortgage-backed securities.

Municipals (Munis): Securities, usually bonds, issued by a state or its agencies. The interest on munis is generally exempt from federal income taxes and state and local income taxes in the state of issuance. Municipal securities may or may not be backed by the issuing agency's taxation powers.

Par Value: The value of a security expressed as a specific dollar amount marked on the face of the security, or the amount of money due at maturity. Par value should not be confused with market value.

Portfolio: A collection of securities held by an individual or institution.

Prudent Person Rule: A long-standing common-law rule that requires a trustee who is investing for another to behave in the same way as a prudent individual of reasonable discretion and intelligence who is seeking a reasonable income and preservation of capital.

Quotation, or Quote: The highest bid to buy or the lowest offer to sell a security at a particular time.

Settlement Date: The actual date when a security is purchased and comes under the ownership of the buyer.

Spread: The difference between two figures or percentages. E.g., the difference between the bid and ask prices of a quote or between the amount paid when a security is bought and an amount received when sold.

Trade Date: The date when a security transaction is executed.

Treasury Bill (T-Bill): An obligation of the U.S. government with a maturity of one year or less. T-bills bear no interest but are sold at a discount.

Treasury Bonds and Notes: Obligations of the U.S. government that bear interest. Notes have maturities of one to ten years; bonds have longer maturities.

Weighted Average Maturity: The weighted sum of the average years to maturity of the investments held by the District.

Yield: The annual rate of return on an investment, expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security. Net yield, or yield to maturity, is the current income yield minus any premium above par or plus any discount from par in the purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Yield to Maturity: The average annual yield on a security, assuming it is held to maturity; equals to the rate at which all principal and interest payments would be discounted to produce a present value equal to the purchase price of the bond.



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 02-23

A RESOLUTION BY THE LOCAL CONTRACT REVIEW BOARD DECLARING AN EXEMPTION FROM COMPETITIVE BIDDING FOR THE 189TH PUMP STATION AND PIPELINE PROJECT AND AUTHORIZING A PROGRESSIVE DESIGN-BUILD 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 and operates the 189th and Goyak facilities that have served the Cooper Mountain area for over 30 years, and needs to be replaced due to age and reliability; and

WHEREAS, the District has included the funding for the 189th Pump Station Project in the District's adopted Capital Improvement Plan; 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

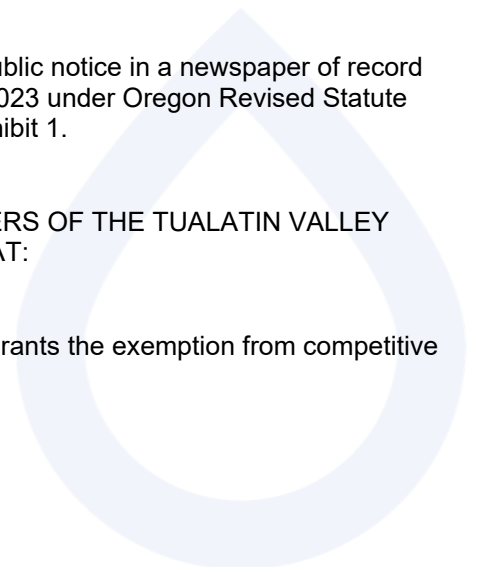
WHEREAS, based on District staff's evaluation, Progressive Design-Build brings the best value to the District and meet the District's requirements on the project cost and schedules; and

WHEREAS, the District has developed findings required by Oregon Revised Statute 297C.335 for an exemption from competitive bidding for the 189th Pump Station and Pipeline 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, on January 4, 2023, the Local Contract Review Board provided public notice in a newspaper of record announcing the public hearing, and conducted the public hearing on January 18, 2023 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 189th Pump Station and Pipeline Project.



Section 2: The Board hereby directs and authorizes the District's Chief Executive Officer to take all action to adopt the Progressive Design-Build delivery method for the 189th Pump Station and Pipeline project.

Approved and adopted at a regular meeting held on the 18th day of January 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

EXHIBIT 1

FINDINGS FOR AN EXEMPTION FROM COMPETITIVE BIDDING

FOR 189TH PUMP STATION AND PIPELINE PROJECT

Oregon Revised Statute (ORS) 279C.300 requires all local contracting agency public improvement contracts to be procured by a competitive bidding process unless an exemption is granted from the Local Contract Review Board (LCRB) under ORS 279C.335. 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 factors under ORS 279C.335(2)(b)(A-N). The TVWD Board of Commissioners, acting as the LCRB, must approve the exemption for the 189th Pump Station and Pipeline Project (Project).

This document presents information the LCRB must consider in its finding to exempt the Project from competitive bidding and to use a Progressive Design-Build (PDB) method of delivery.

Project Background

Tualatin Valley Water District (TVWD) is undertaking the 189th Pump Station and Pipeline Project (Project) to provide reliable water supply to customers in the area. The 189th Pump Station was constructed in 1988 and has had recent pump failures requiring emergency repairs. In addition, the other equipment including electrical gear and components within the pump station are aging and need to be replaced. There is an existing 2-million-gallon reservoir and well on the site; however, the reservoir is at an elevation which is much lower than the 385-foot pressure zone of which it is a part, and therefore has limited usefulness. The existing well and the reservoir are currently offline, and the reservoir is anticipated to be demolished as part of this Project.

The Goyak Pump Station, constructed in 1973 and expanded in 1992 is also aging, is not seismically resilient, and requires confined space entry, putting operators at risk during regular maintenance activities. The Goyak site also includes an existing 1-million-gallon concrete reservoir which is in need of seismic upgrades, and has a leak in the drain, prompting TVWD to cap the drain line interior to the reservoir with divers to prevent downstream issues.

TVWD is proposing to replace the existing 189th Pump Station with a seismically resilient pump station which includes the following major activities:

- Construction of a new pump station which includes permanent on-demand backup power
- Demolition of the existing 189th reservoir

- Construction of 1,820 feet of 16-inch ductile iron pump discharge piping
- Demolition of the Goyak Reservoir and Pump Station, effectively combining the two pump stations into a single pump station.

Due to the tight site constraints and the need to maintain the existing facilities in operation until the new facilities are online, TVWD is proposing to have the Project delivered via Progressive Design Build (PDB) to allow for additional collaboration with contractors during the design, and to help move the Project forward to construction faster to reduce the risk and exposure TVWD has with these essential facilities.

Construction of the project is scheduled to be completed by April 2025 and is estimated to cost approximately \$8.5 million, excluding design and management costs.

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

TVWD plans to select the PDB team for the project through a one-step process, which will be a combination of qualification-based and price-driven selections. West Yost has been retained by TVWD as the Owner's Representative to assist TVWD in selecting the PDB team and manage the PDB delivery throughout the project. According to the current schedule, TVWD will advertise the project and select the PDB team no later than April 2023. The PDB team will have experience in similar projects and will have to be a licensed engineering and construction firm in good standing with the State of Oregon.

Summary of Findings

With regard to ORS 279C.335, the LCRB will consider the findings as detailed below in its decision to exempt the Project from competitive bidding and use the PDB 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 PDB 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 Proposals (RFP) in a manner that will attract PDB teams that have the specialized knowledge, capacity, and skills for the project.

There are a sufficient number of firms that are qualified for the project and are available to respond to the RFP. A solicitation for requests for interests was advertised on December 21, 2022 in the Daily Journal of Commerce (DJC), and published on TVWD's website for the Project to attract firms that are unaware of the project. Nine firms responded to the interest solicitation and expressed interest in the project.

TVWD will use guidance documents originally developed based on Water Design-Build Council (WDBC) guidance, assuring best industry practices are being followed and to maintain interest in the Project from the leaders in progressive design-build of water facilities. In addition to those that responded to the solicitation for interest, the RFP will be published in the DJC and posted on TVWD's website to attempt to notify all potential respondents.

TVWD will take measures to ensure open competition. Strict adherence to pre-defined scoring criteria in the procurement document will be followed. Scoring criteria will be based on experience of the PDB team and project personnel; understanding of the technical and work requirements for the project; approach for managing and minimizing project risks; approach to safety; and consideration of professional design and/or construction management support costs or fees. Review of proposals and scoring will be performed by TVWD staff with assistance from West Yost Consultants.

Finding: The pool of potential PDB teams and the selection process to be used by TVWD makes 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 PDB method allows contractor input and collaboration of the contractor and designer in the early design phase to provide innovative solutions, constructible opinions, and realistic construction-pricing. Along with value engineering, it gives TVWD opportunities to make cost-benefit decisions and to reduce project costs. Some of the challenges which are anticipated on this Project include work on multiple challenging sites, siting the new facility in an acceptable location while achieving cost savings, and demolishing the existing facilities without impacting on-going operations. The PDB team will secure some aspects of work (e.g., equipment) through competitive bids early in the project to avoid price escalation and material acquisition delays during the construction period. The PDB method also permits TVWD to award early construction packages and/or negotiate the guaranteed maximum price (GMP) contract prior to completion of the overall design so that the PDB team can eliminate price uncertainty and/or bear some risk of future price escalation. The PDB 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 PDB delivery method can also provide cost savings for overall professional engineering services. By utilizing the PDB 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 PDB team.

Additionally, a collaborative decision-making process in the PDB method gives the potential to reduce construction claims and minimize TVWD's risks. The simplicity of TVWD contracting with a single team will reduce TVWD's management time required and help protect TVWD from claims. The collaborative approach and partnership between TVWD and the PDB team also allows for additional focus on safety which can improve safety for TVWD, the PDB 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 PDB 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 PDB delivery method could also reduce the project schedule and engineering design cost, minimize TVWD's risks, and enhance safety to the public, PDB team, and TVWD staff.

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

In addition to meeting the above findings, 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 or class of public improvement contracts, the following findings as specified under ORS 279C.335(2)(b)(A-N):

a) How many persons are available to bid?

TVWD will ensure maximum competition and fair opportunity for the project. A solicitation of interest was advertised in the DJC on December 21, 2022, to gauge interest for a role on the PDB project. Following approval of the alternative delivery procurement, TVWD will issue a Request for Proposals (RFP) for the PDB team. The RFP will be written in manner to attract PDB teams that have the specialized knowledge, capacity, and skills for the project within the State of Oregon, the Pacific Northwest and nationally. The RFP will be published in the DJC and posted on TVWD's website to attempt to notify all potential respondents.

Potentially qualified firms that have expressed their interest thus far in pursuing this project are listed below. A PDB team can be a joint venture of designer and contractor, a designer-led team with a subcontracted contractor, a contractor-led team with a designer as a subconsultant, or a single firm that can perform both design and construction. Design engineering firms and contractors may team in different ways to respond to the RFP. Some of the anticipated design engineering firms also hold contractor licenses which would enable them to act as the General Contractor. The following firms responded to the solicitation of interest, expressing desire to pursue the project.

1. Canby Excavating
2. Carollo Engineers
3. Emery & Sons Construction Group
4. Flatiron Construction
5. Kerr Contractors
6. Moore Excavation Inc.
7. Pacific Excavation
8. Shannon and Wilson
9. Slayden

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

The estimated construction cost for the project is approximately \$8.5 million, excluding design and management of the project. Operational costs for the constructed facilities are estimated to be \$120,000 annually, which includes assumed values for pump replacements and other on-going maintenance activities. Implementation of the project will not increase the need for TVWD's operations staff but has the potential to reduce routine costs due to a reduction in facilities to maintain. Through the "fast-track" process, the PDB method can reduce overall project schedule, limit the amount of time for design and construction, and therefore reduce 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 between the most qualified contractors/engineers and results in a high-quality project to better meet the public and TVWD's needs.

Potential cost savings from the PDB method is a benefit to TVWD customers who ultimately pay the costs of the project. Public benefits can also be achieved from the shorter construction schedule. By utilizing the PDB method the replacement facilities can be delivered sooner to serve the area with a more reliable and resilient water supply. Along with a reduced construction schedule, a collaborative work approach through the PDB method provides the potential to minimize the construction impact on the local community and allows the project team to have a collaborative approach to siting the replacement facilities on site and maintaining the existing facilities in operation throughout the construction.

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

The PDB method allows TVWD to utilize value engineering to potentially achieve cost savings during the design phase before design decisions are finalized and before the GMP is established for construction. The value engineering is planned to be performed at the 30% design milestone. The value engineering review will be performed by the Owner's Representative (West Yost), TVWD staff, and potentially additional independent reviewers external to the project team. The PDB team is expected to participate in value engineering throughout the design. The design and value engineering will be done through a collaborative design process which will allow TVWD insight into costs relative to the siting options at major and intermediate design milestones. Through the collaborative design process, the PDB team can come up with 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 PDB firm 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 PDB team to have experience in design and construction of vertical turbine pumps and pump stations, pipelines, retaining walls, and demolition of existing water infrastructure including permitting requirements. In addition, the PDB team will need to understand the importance of coordinating the project construction work to meet TVWD's operational needs and be capable of addressing geotechnical and construction issues. TVWD's overall project scope is to build a replacement pump station with vertical turbine pumps, backup power generation, 1,820 feet of 16-inch ductile iron pipe, and demolish existing infrastructure. Major construction elements and equipment may be competitively bid with TVWD reviewing bids as part of the development of the GMP. This approach to competitive bidding will ensure competitive costs for the project. The overall cost will be similar to or lower than a Design-Bid-Build project. All of the firms listed under Design Engineering Firms and Construction Contractors above possess expertise necessary for various aspects of the project.

The cost and availability of specialized expertise will not affect the PDB method. Procurement of the PDB team based on qualifications, technical approach, and initial costs (design and 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 engineering firms and construction contractors performing the work for 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 the existing 189th and Goyak facilities is required while keeping the facilities in operation until the new facilities can be brought online. Customers and the public must be kept safe during the construction phase and when the new facilities are being tested and placed in service.

The PDB method allows TVWD to evaluate the PDB teams' safety record and to consider historical performance of the PDB teams in previous similar projects as a selection criterion. One evaluation criterion would be the Experience Modification Ratio (EMR) for the PDB team and its key subcontractors. Using the PDB method, TVWD is able to work closely with the PDB 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 PDB method will put TVWD in a better position to complete the project on schedule while minimizing the Owner's risks, compared to the DBB method.

The PDB method allows for 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 new facilities are being built, and during the transfer of service to the new system.

The PDB method also allows TVWD to work closely with the PDB team to ensure public safety and reduce overall project risks.

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

The project is funded from TVWD's capital improvement budget which is supported by TVWD's capital reserves, revenue generated from water sales, and system development charges. Granting the exemption will not affect the sources of 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 improvement projects has been impacted by general inflation, supply chain issues, and local market conditions. There has been a substantial increase in labor and material costs, including inability to procure certain materials in a timely manner. Compared with the DBB method, the PDB method provides TVWD with the flexibility to reduce the impact of market conditions, especially in the current price-increasing market.

The PDB method allows the selected PDB 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 minimize price escalation during the construction period. The PDB method also permits TVWD to partner with the PDB team to award an early construction package prior to completion of the overall design. This could also allow for early procurement of materials which can take an extended duration in the current construction environment. The PDB team intends to establish the GMP set before the completion of the final design and TVWD can negotiate the GMP contract to have the PDB team bear/share some risks of future price escalation. In addition, the PDB team can utilize the process and construction narratives instead of detailed specifications for construction if permitted by TVWD, 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

PDB can address the size and technical complexity of the project more effectively than the DBB method because of the qualification-based selection of the PDB team and increased collaboration between the designer and contractor within the team allow for a more succinct flow of information and ideas necessary for decision making. The technical complexity of the project is due primarily to maintaining the existing facilities in service and working on a constrained site which has a significant cross-slope. These technical complexities require the PDB team to be capable of managing the complicated geotechnical issues, replacing the pump station without interfering with the existing water supply, and performing successful pump station testing, commissioning, and ultimately, demolition of the existing facilities. The PDB method will allow TVWD to retain a highly qualified PDB team 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 includes demolition of the existing pump stations and reservoirs and construction of a new pump station and ancillary facilities.

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

The 189th site is currently unoccupied and will be unoccupied during construction. TVWD will operate the existing 189th and Goyak pump stations located on the sites which requires daily access. The PDB team will need to coordinate with TVWD for site access and safety of all onsite staff.

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 PDB is the ability to bid multiple packages if it is beneficial to do so. TVWD has a proposed schedule of demolishing the 189th Reservoir, constructing the new pump station and pipeline, and finishing the project by demolishing the 189th Pump Station, the Goyak Pump Station and the Goyak Reservoir. The PDB method allows the PDB team to layout the project roadmap and develop the schedule early on to ensure that construction is being performed within TVWD's desired time frame and in the most efficient manner.

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's staff is experienced using the PDB method to deliver prior projects. TVWD has retained West Yost to provide the Owner's representative and project management services for additional support. West Yost has served many municipalities and public agencies as the Owner's representative or program manager on alternative project deliveries for over a decade. West Yost is a licensed engineering firm in Oregon and California. West Yost has 9 years of experience in assisting municipalities and public agencies in delivering Design-Build projects, including the Grabhorn Reservoir project for TVWD in 2018. Legal assistance may be provided by TVWD in-house legal counsel or by an independent legal firm with the appropriate expertise.





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 03-23

A RESOLUTION AMENDING SYSTEM DEVELOPMENT CHARGES FOR THE TUALATIN VALLEY WATER DISTRICT AND DECLARING AN EFFECTIVE DATE.

WHEREAS, on July 18, 2012, the Board of Commissioners adopted Ordinance 01-12 “System Development Charge Ordinance” to impose system development charges (SDCs) and other related procedures to comply with ORS 223.297 to ORS 223.314, inclusive, to provide revenues necessary for capital improvements constructed and to be constructed; and

WHEREAS, in accordance with the methodology identified in Section 4 of Ordinance 01-12, the administrative staff of the District calculated the amount of the SDC to be imposed by the Board of Commissioners to collect the statutorily authorized, necessary revenues; and

WHEREAS, Section 9 B of Ordinance 01-12 requires the District to review its SDCs annually in relation to the Engineering News Record (ENR) Construction Cost Index (CCI) (Seattle); and

WHEREAS, construction costs increased 10.47% between December 2021 and December 2022 as evidenced by the ENR CCI (Seattle); and

WHEREAS, pursuant to Section 9 of Ordinance 01-12, the Board of Commissioners by this resolution amends the SDC for the District as set forth below.

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

Section 1: Resolution 02-22 is hereby repealed and superseded by this resolution effective at 7:00 A.M., Pacific Standard Time on March 1, 2023.

Section 2: Prior to making a connection of non-District water facilities to the District’s water system, the applicant for such a connection shall pay in full the SDC to the District, except that there shall be no SDC for a fireline.

Section 3: Further, the Board directs staff, for any calendar year, during which the Board has not adjusted SDCs based on a revised capital improvements or facilities plan, to adjust SDCs March 1 for each ensuing year thereafter, as calculated by staff based on the change, from December of the prior year to December of the current year, in the Engineering News Record (ENR) Construction Cost Index (CCI) (Seattle).

Section 4 (a): Pursuant to Section 3 above, the SDC is calculated for a 5/8 x 3/4-inch meter by a weighting factor. The weighting factors adopted by the Board are based on the American Water Works Association safe operating capacities for displacement type meters.

The SDCs for meter sizes up to 1-1/2 inches are:

Reimbursement Fee	\$ 1,701/ERU
Improvement Fee	7,855/ERU
<u>Administration</u>	<u>160/ERU</u>
Total SDC	\$ 9,716/ERU

Meter Size	Weighting Factors (ERUs)	Charge
5/8 x 3/4-inch	1.0	\$ 9,716
3/4 x 3/4-inch	1.5	14,574
1-inch	2.5	24,290
1.5-inch	5.0	48,580

Section 4 (b): Pursuant to Section 4(a) above, for meters over 1.5-inch, the SDC shall be determined based on the customer's anticipated water usage. Anticipated peak-day water usage will be divided by the peak-day system design flow of 844 gallons per day per equivalent residential unit (ERU) to determine peak-day ERUs. Anticipated average daily water usage will be divided by 358 gallons per day per ERU to determine average-day ERUs (storage ERUs).

Peak-Day SDC cost is:

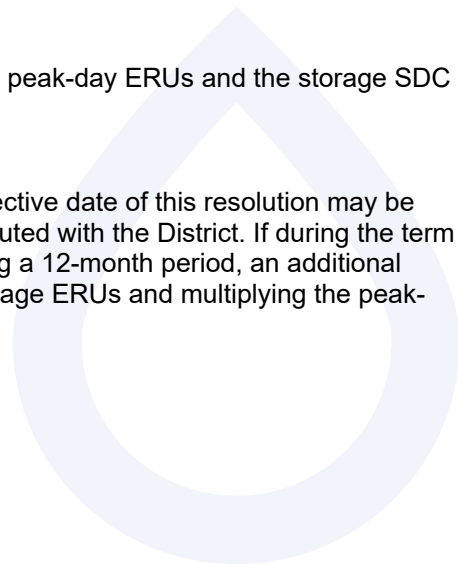
Reimbursement Fee	\$ 1,117 per peak-day ERU
Improvement Fee	<u>6,874</u> per peak-day ERU
Peak-Day SDC cost	\$7,991 per peak-day ERU

Storage SDC cost is:

Reimbursement Fee	\$ 744 per storage ERU
Improvement Fee	<u>981</u> per storage ERU
Storage SDC cost	\$1,725 per storage ERU

The SDC shall be the sum of the peak-day SDC cost per ERU multiplied by the peak-day ERUs and the storage SDC cost per ERU multiplied by the storage ERUs.

Section 4 (c): The SDC paid for meters larger than 1-1/2 inches as of the effective date of this resolution may be adjusted upward based on actual usage pursuant to an SDC agreement to be executed with the District. If during the term of the SDC agreement, the usage is greater than 110% of anticipated volume during a 12-month period, an additional SDC may be charged, using the same techniques for calculating peak-day and storage ERUs and multiplying the peak-day SDC cost per ERU and the storage cost per ERU then in effect.



Section 4 (d): The SDC paid for a residential ¾-inch or 1-inch water meter, in the circumstance where a larger meter is required only for the purpose of meeting a residential multi-purpose fire sprinkler system requirement, will consist of the SDC for the appropriate size meter that would be required without the multi-purpose fire sprinkler system plus 18% of the difference between the price of the SDC for the meter size meeting the domestic water requirements and the SDC for the meter size meeting the fire sprinkler requirement. The 18% factor represents the approximate storage cost component of the SDC. Should the customer regularly use the capacity of the ¾-inch or 1-inch meter to meet its domestic needs, the customer will be required to pay the remainder of the SDC at the current rate then in effect.

Section 4 (e): If the customer has been charged by the District for an illegal connection and requests a contract for payment of the SDC, the District may withhold the option of providing a contract for said payment of SDC.

Section 4 (f): If the SDC is financed as permitted by ORS 223.208, the financing charge established by the District is 9.0% as authorized in ORS 82.010 Legal Rate of Interest and for a maximum term of 10 years.

Approved and adopted at a regular meeting held on the 15th day of February 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 04-23

A RESOLUTION APPROVING THE 2023-25 BIENNIUM STRATEGIC INITIATIVES AND FINANCIAL STRATEGY FOR THE TUALATIN VALLEY WATER DISTRICT.

WHEREAS, the Board of Commissioners (Board) desires to provide guidance to the Tualatin Valley Water District's (District's) management on the priorities the District should pursue during the upcoming 2023-25 biennium; and

WHEREAS, by approving the District's Strategic Initiatives, the Board provides management that desired guidance; and

WHEREAS, the Board adopted the District's Financial Management Policies by Resolution 08-19 (Policies), and the Policies require the District to periodically prepare a Financial Plan for Board approval; and

WHEREAS, the Board desires to provide guidance to the District's management to prepare the District's Financial Plan, proposed 2023-25 biennial budget, and the District's Preliminary Official Statement for its planned upcoming revenue bond issue; and

WHEREAS, with assistance of management, the Board has assessed risks and benefits of various capital and operational plans which factor into rates, borrowing needs and levels of financial reserves; and

WHEREAS, at its March 7, 2023 regular meeting, management presented information on proposed District Strategic Initiatives and Financial Strategies to the Board.

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

Section 1: Exhibit A is hereby approved as the District's 2023-25 Strategic Initiatives.

Section 2: Exhibit B is hereby approved as the District's Financial Strategy for the 2023-25 biennium.

Approved and adopted at a regular meeting held on the 15th day of March 2023.

Todd Sanders, President

Jim Doane, Secretary

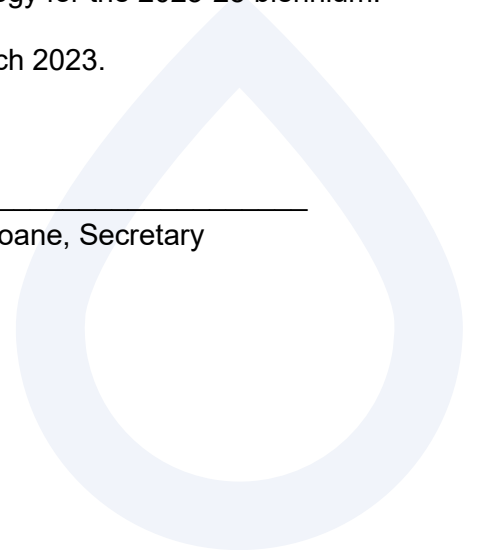


Exhibit A

Tualatin Valley Water District Strategic Initiatives for the 2023-25 Biennium

Carry-Over Initiatives

Willamette Water Supply System and Willamette Intake Facilities:

- Capital project delivery,
- Commissioning and startup activities,
- System integration,
- Preparation of the *Operations Plan*, and
- Coordinating staffing.

Normalization of the operations of the new Customer Information System (CIS)

Classification/Compensation study

Diversity, Equity, and Inclusion (DEI) strategy

Managing governmental affairs

Mission, Vision, Values, and Strategic Planning Framework Project

New Strategic Initiatives

Implementing monthly billing for our most vulnerable single-family residential customers.

Developing and begin implementing an Advanced Metering Infrastructure (AMI) program.

Enhancing the District's business intelligence capabilities to support the District's ongoing management information needs and the future strategic planning framework.

Exhibit B: Strategy 2a

Tualatin Valley Water Financial Strategy for the 2023-25 Biennium

Description	2023	2024	2025	2026	2027
Customer Impacts					
Rate Adjustments [1]	14.25%	22.00%	17.50%	5.00%	3.40%
Typical Monthly Bill	\$70.46	\$85.96	\$101.00	\$106.05	\$109.66
Debt Issuances and Net Leverage Ratios					
Debt Issues (\$ millions)	\$82.5		\$130.0		
Net Leverage Ratios	6.36	8.32	7.77	6.64	6.10
Borrowing Assumptions					
Type of Borrowing	Parity Rev.		Parity Rev.		
Interest Rate	5.0%		5.5%		
Term (years)	30		30		

[1] Rate adjustments projected for Nov. 1 of each fiscal year (i.e., on 11/1/2023 for FY2024).



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 05-23

A RESOLUTION REVISING THE MISSION AND VALUES STATEMENTS FOR THE TUALATIN VALLEY WATER DISTRICT.

WHEREAS, the District's current mission and values statements were adopted in 2011; and

WHEREAS, the District's Board of Commissioners adopted Resolution 15-22 on December 21, 2022 establishing the District's current vision statement as: *Our water sustains thriving communities – every day for everyone*; and

WHEREAS, when combined with the vision statement, the District's mission and values statements will help maintain organizational focus, aid in decision making, create a legacy, provide a framework for setting resource priorities, and instill strategic leadership; and

WHEREAS, the District has undertaken a deliberate process to revise its mission, vision, and values statements to provide those long-term benefits; and

WHEREAS, the District's staff, leadership, and Board of Commissioners (Board) have worked through this deliberate process to create shared inspirational, memorable, and future-focused revised mission, vision, and value statements; and

WHEREAS, the deliberate process used to revise these statements included stakeholder interviews with staff and members of the Board, online surveys of staff, focused discussions with the District's leadership team and Board, and direct participation by the District's Mission, Vision, Values project team and project steering committees; and

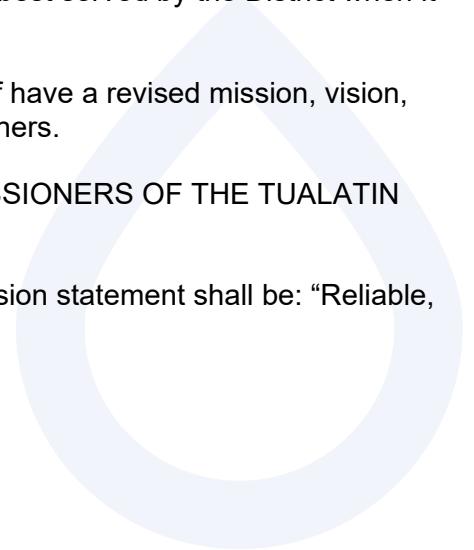
WHEREAS, through its deliberations, the Board finds that the community is best served by the District when it serves its mission of providing reliable, resilient, and safe water; and

WHEREAS, through its deliberations, the Board finds the community is best served by the District when it acts with the values of respect, integrity, service, and equity; and

WHEREAS, the Board desires that the community, leadership, and staff have a revised mission, vision, and values statements endorsed and approved by the Board of Commissioners.

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

Section 1: The Board hereby declares that henceforth the District's mission statement shall be: "Reliable, resilient, and safe water".



Section 2: The Board hereby declares that henceforth the District's values statement shall be: "respect, integrity, service, and equity"

Section 3: The District's Chief Executive Officer (CEO) is directed to undertake those steps that the CEO deems prudent to combine the District's revised mission and values statements with the vision statement declared in Resolution 15-22 and integrate them into the District's culture.

Approved and adopted at a regular meeting held on the 19st day of April 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 06-23

A RESOLUTION ADOPTING THE 2023 WASHINGTON COUNTY MULTI-JURISDICTION NATURAL HAZARD MITIGATION PLAN (NHMP).

WHEREAS the Tualatin Valley Water District (TVWD) recognizes the threat that natural hazards pose to people, property and infrastructure within our community; and

WHEREAS, undertaking hazard mitigation actions will reduce the potential for harm to people, property, and infrastructure from future hazard occurrences; and

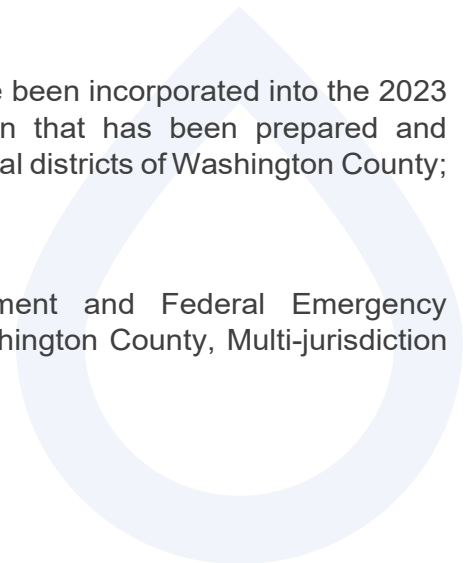
WHEREAS an adopted Natural Hazard Mitigation Plan is required as a condition of future funding for mitigation projects under multiple FEMA pre- and Post-disaster mitigation grant programs; and

WHEREAS, the Tualatin Valley Water District has fully participated in the FEMA prescribed mitigation planning process to prepare the 2023 Washington County, Multi-Jurisdiction Natural Hazard Mitigation Plan, which has established a comprehensive, coordinated planning process to eliminate or minimize these vulnerabilities; and

WHEREAS, the Tualatin Valley Water District has identified natural hazard risks and prioritized a number of proposed actions, processes, and programs needed to mitigate the vulnerabilities of the Tualatin Valley Water District to the impacts of future disasters within the 2023 Washington County, Multi-Jurisdiction Natural Hazard Mitigation Plan; and

WHEREAS, these proposed actions, processes, and programs have been incorporated into the 2023 Washington County, Multi-Jurisdiction Natural Hazard Mitigation Plan that has been prepared and promulgated for consideration and implementation by the cities and special districts of Washington County; and

WHEREAS, the Oregon Department of Emergency Management and Federal Emergency Management Agency, Region X officials have reviewed the 2023 Washington County, Multi-jurisdiction



Natural Hazard Mitigation Plan and pre-approved it contingent upon this official adoption of the participating government entities; and

WHEREAS, the Natural Hazard Mitigation Plan is comprised of three volumes: Volume I -Basic Plan, Volume II - City Addenda, and Volume III -Appendixes, collectively referred to herein as the NHMP; and

WHEREAS, the NHMP is in an on-going cycle of development and revisions to improve its effectiveness; and

WHEREAS Tualatin Valley Water District was appointed as the Managing Agency for the Willamette Water Supply System (WWSS), TVWD will provide oversight for mitigation actions of the WWSS as defined in the WWSS Intergovernmental Agreement As amended August 12, 2021; and

WHEREAS Tualatin Valley Water District adopts the NHMP and directs the Chief Executive Officer to provide oversight to develop, approve and implement the mitigation strategies and any administrative changes to the NHMP.

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

Section 1: The Tualatin Valley Water District adopts the 2023 Washington County Multi-Jurisdiction Natural Hazard Mitigation Plan as an official plan and directs the Chief Executive Officer to provide oversight to develop approved and implement the mitigation strategies and any administrative changes thereto.

Section 2: The Tualatin Valley Water District will submit this adopting resolution to Washington County, the Oregon Department of Emergency Management and Federal Emergency Management Agency, Region X officials to enable final approval of the 2023 Washington County Multi-Jurisdiction Natural Hazards Mitigation Plan.

Approved and adopted at a regular meeting held on the 19th day of April 2023.

Todd Sanders, President

Jim Doane, Secretary





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.

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**.

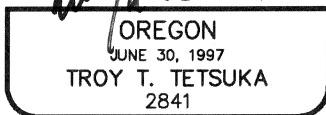
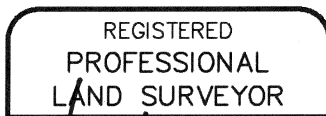
EXCEPTING THEREFROM

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

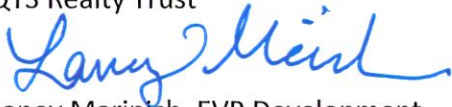
EXHIBIT C

<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

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



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 08-23

A RESOLUTION ADOPTING THE BUDGET AND MAKING APPROPRIATIONS FOR THE TUALATIN VALLEY WATER DISTRICT FOR THE 2023-2025 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 2023-2025 biennium; and

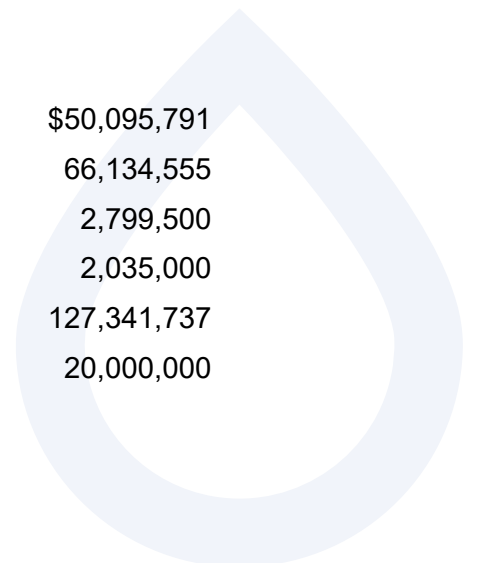
WHEREAS, on May 31, 2023, following public notice and hearing thereon, the duly appointed and authorized Budget Committee unanimously approved the biennial budget proposed for 2023-2025, now on file at the District office.

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

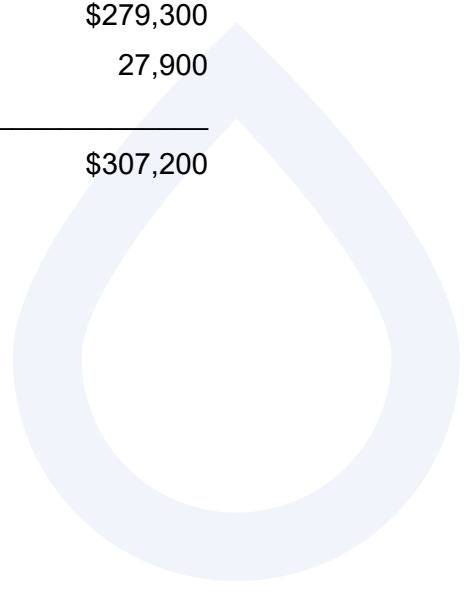
Section 1: In compliance with Oregon Local Budget Law under ORS 294, the Board of Commissioners of the Tualatin Valley Water District hereby adopts the biennial budget of the District as approved on May 31, 2023 by the Budget Committee of Tualatin Valley Water District.

Section 2: That the amounts for the biennium beginning July 1, 2023 and for the purposes shown are hereby appropriated as follows:

	General Fund
Appropriations	
Personnel Services	\$50,095,791
Materials & Services	66,134,555
Capital Outlay	2,799,500
Special Payments:	2,035,000
Transfers to Other Funds	127,341,737
General Operating Contingency	20,000,000



Total Appropriation	<u>\$268,406,583</u>
Capital Improvements Fund	
Appropriations	
Capital Outlay	\$523,589,659
Total Appropriation	<u>\$523,589,659</u>
Capital Reserve Fund	
Appropriations	
Transfers to Other Funds	\$471,065,937
Total Appropriation	<u>\$471,065,937</u>
Debt Proceeds Fund	
Appropriations	
Transfers to Other Funds	\$363,460,319
Total Appropriation	<u>\$363,460,319</u>
Revenue Bond Debt Service Fund	
Appropriations	
Debt Service	\$7,290,612
Total Appropriation	<u>\$7,290,612</u>
Willamette River Water Coalition Fund	
Appropriations	
Materials & Services	\$279,300
General Operating Contingency	27,900
Total Appropriation	<u>\$307,200</u>
Customer Emergency Assistance Fund	
Appropriations	



Materials & Services	\$319,875
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Total Appropriation	\$319,875
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Willamette Intake Facilities Fund

Appropriations

Materials & Services	\$1,013,495
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Capital Outlay	11,000
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General Operating Contingency	101,000
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Total Appropriation	\$1,125,495
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Willamette Water Supply System Fund

Appropriations

Materials & Services	\$2,268,100
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Capital Outlay	651,226,029
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General Operating Contingency	269,000
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Total Appropriation	\$654,193,129
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Total Appropriations	\$2,289,758,809
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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 21st day of June 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 09-23

A RESOLUTION REPEALING COVID RELATED RESOLUTIONS 08-20 AND 09-21

WHEREAS, the Board of Commissioners adopted Resolution 08-20 on March 18, 2020 and Resolution 09-21 on August 18, 2021 containing measures in response to COVID for the well-being, health, and safety of the employees and citizens of Tualatin Valley Water District; and

WHEREAS, Resolution 08-20 vested the Chief Executive Officer with emergency powers to prepare for, prevent, and mitigate the effects of COVID in conjunction with federal, State, and local public health emergency management so long as an emergency declaration was made by State of Oregon or Washington County officials; and

WHEREAS, Resolution 09-21 was a mandate by the Board of Commissioners that current employees obtain vaccinations, subject to an exemption process, and that the Chief Executive Officer implement a testing plan; and

WHEREAS, the emergency declarations from the State of Oregon and Washington County have expired and it appears the need for these resolutions and mandated activities no longer exists and being advised.

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

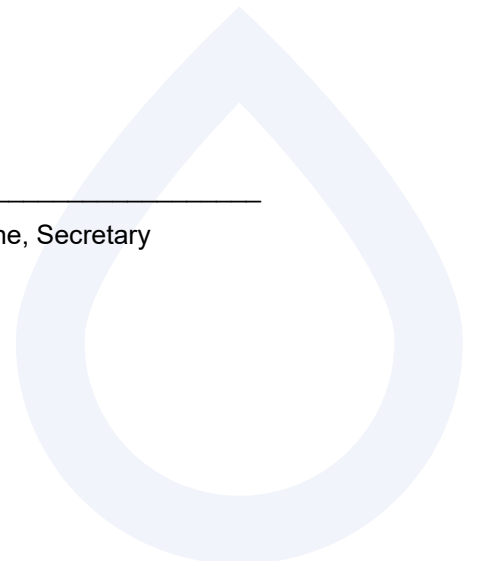
Section 1: Resolution 08-20 and Resolution 09-21 are hereby repealed.

Section 2: The Chief Executive Officer is directed to review and remove all District employment policies, operations, and practices that were created to implement these Resolutions.

Approved and adopted at a regular meeting held on the 19th day of July 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 10-23

A RESOLUTION OF THE LOCAL CONTRACT REVIEW BOARD REPEALING COVID RELATED RESOLUTION 07-20.

WHEREAS, the Board of Commissioners, acting as the Local Contract Review Board (LCRB), adopted Resolution 07-20 on March 18, 2020, adopting contracting measures in response to COVID for the well-being, health and safety of the employees and citizens of Tualatin Valley Water District; and

WHEREAS, Resolution 07-20 vested the Chief Executive Officer with emergency powers to contract for supplies and services as the CEO determined necessary to prepare for, prevent and mitigate the effects of COVID to contracting, supply chain delays and other impacts to the operations and functions of the District; and

WHEREAS, Resolution 07-20 was intended to coincide with the emergency declarations from the State of Oregon, Washington County and the District, which have expired and it appears the need for this emergency LCRB Resolution no longer exists and being advised.

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

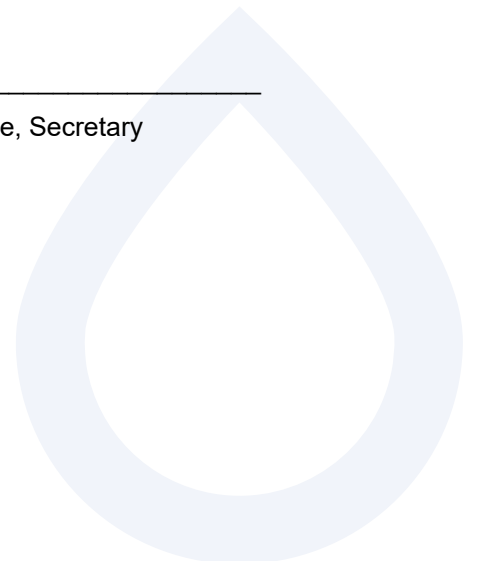
Section 1: Resolution 07-20 is hereby repealed.

Section 2: All actions of the Chief Executive Officer taken pursuant to Resolution 07-20 are ratified and affirmed.

Approved and adopted at a regular meeting held on the 19th day of July 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 11-23

A RESOLUTION APPROVING THE DISTRICT'S FINANCIAL PLAN FOR THE 2023-2025 BIENNIUM.

WHEREAS, the Board of Commissioners adopted the Tualatin Valley Water District's Financial Management Policies by Resolution 08-19 (Policies), and the Policies require the District to periodically prepare a Financial Plan for Board approval; and

WHEREAS, with assistance of management, the Board has assessed risks and benefits of various capital and operational plans which factor into rates, borrowing needs and levels of financial reserves; and

WHEREAS, at its March 15, 2023 regular meeting, the Board adopted Resolution 04-23 establishing the District's Financial Strategy which provided management guidance that balances risks, costs and benefits to allow the preparation of the proposed Financial Plan for the 2023-2025 biennium.

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

Section 1: The 2023-25 Financial Plan attached hereto as Exhibit 1 and incorporated by reference, is hereby approved.

Section 2: Management will prepare updated Financial Plans in accordance with the District's Financial Management Policies.

Approved and adopted at a regular meeting held on the 19th day of July 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 12-23

A RESOLUTION ESTABLISHING A PROCESS FOR PROPOSED ADJUSTMENTS TO WATER RATES FOR THE 2023-25 BIENNIUM.

WHEREAS, the Board of Commissioners (Board) of the Tualatin Valley Water District (District) adopted Resolution 04-23 on March 15, 2023 approving the 2023-25 biennium strategic initiatives and financial strategy; and

WHEREAS, the District's approved financial strategy includes increases in water rates to fund the District's capital investment and operating expenditures; and

WHEREAS, to implement the increases in water rates included in the approved financial strategy, the Board desires to provide direction to management to establish an appropriate public process.

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

Section 1: Management is directed to schedule a public hearing for August 16, 2023 during the Board's regular meeting to consider changes in the District's water rates.

Section 2: Management is authorized to undertake those activities consistent with Oregon law to notify the public of the public hearing.

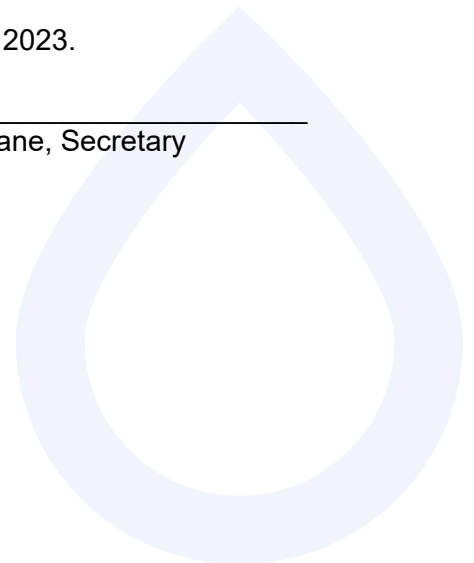
Section 3: Management is directed to provide an opportunity for the public to learn about the proposal to change the District's water rates in three events held in August 2023.

Section 4: Public comment received by the District on, or after July 20, 2023, and before 4:00 pm on August 24, 2023, shall be included in the public record for consideration by the Board of Commissioners in its deliberations.

Approved and adopted at a regular meeting held on the 19th day of July 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 13-23

A RESOLUTION APPROVING THE INTERGOVERNMENTAL AGREEMENT BETWEEN TUALATIN VALLEY WATER DISTRICT AND THE CITY OF BEAVERTON FOR SHORT TERM EMERGENCY WATER USE.

WHEREAS, the City of Beaverton (Beaverton) and Tualatin Valley Water District (District) serve their respective water systems from water source treatment, transmission water lines, reservoirs and other water system facilities; and

WHEREAS, Washington County is ready to commence a roadway improvement project near SW Division Street and SW 149th Avenue that is near to a 36-inch diameter Beaverton waterline, such waterline providing the main source of water supply for the City from the Joint Water Commission; and

WHEREAS, while there are provisions in the Washington County construction project documents that require the contractor to protect the Beaverton waterline, Beaverton and District believe it is prudent to have an agreement for short term emergency water supply by District to Beaverton during construction; and

WHEREAS, there are various points of interconnection of the water systems that can provide for up to five million gallons per day of short term emergency water supply as set forth in the Intergovernmental Agreement Between Tualatin Valley Water District And The City of Beaverton For Short Term Emergency Water Use, attached hereto as Exhibit 1 and incorporated by reference (Agreement); and

WHEREAS, pursuant to Oregon Revised Statutes 190.003 to 190.130, the Parties desire to enter into the Agreement and being advised.

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

Section 1: The Intergovernmental Agreement between Tualatin Valley Water District and the City of Beaverton For Short Term Emergency Water Use, attached hereto as Exhibit 1 and incorporated by reference, is hereby approved.

Section 2: The Chief Executive Officer is authorized to execute this contract following approval by Beaverton.

Section 3: The Board authorizes the Chief Executive Officer to execute an amended version of the contract so long as the final executed version is substantially the same as that set forth on Exhibit 1 and the General Counsel has approved.



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 14-23

A RESOLUTION ESTABLISHING WATER RATES AND OTHER CHARGES FOR THE TUALATIN VALLEY WATER DISTRICT WITH AN EFFECTIVE DATE OF NOVEMBER 1, 2023.

WHEREAS, the Board of Commissioners (Board) of the Tualatin Valley Water District (District) adopted Resolution 11-23 on July 19, 2023, approving the District's 2023-2025 Financial Plan (Financial Plan); and; and

WHEREAS, the District's Financial Plan includes planned increases in water rates to fund the District's capital investment and operating expenditures; and

WHEREAS, a public hearing was held by the Board of Commissioners of the Tualatin Valley Water District on August 16, 2023, to consider increases in water rates to fund District operations, the purchase of water, and capital improvements; and

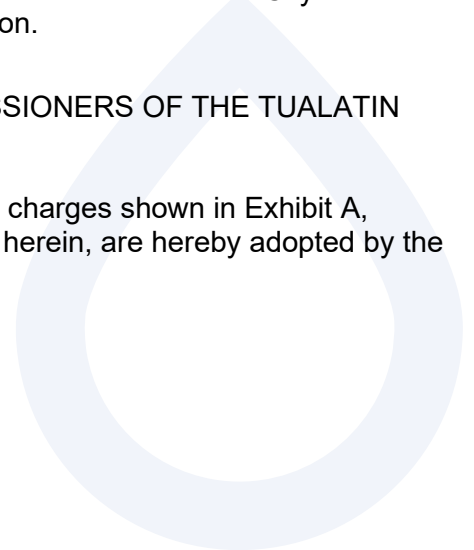
WHEREAS, notice of the public hearing and its purpose was provided by mailing a notice of the hearing to the customers of the District in accordance with the requirement of Oregon Revised Statutes (ORS) 264.312; and

WHEREAS, based on the recommendations of the administrative staff of the District and the testimony heard, received, and considered by the Board from the public hearing, the Board of Commissioners finds that:

1. It is necessary to adopt fixed and volume rates for water services provided by the District to fund the costs of operating the District, fund necessary capital improvements, and support the development of new water supplies; and,
2. The Financial Plan identifies current and future resources needed to continue implementation of the Willamette Water Supply System, and construct improvements to the District's water system infrastructure for seismic and system reliability purposes; and,
3. The District purchases its water supply for distribution within the District from the City of Portland, Oregon, and, as a partner, from the Joint Water Commission.

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

Section 1: This resolution is effective November 1, 2023. The rates and charges shown in Exhibit A, Exhibit B, and Exhibit C attached hereto and by this reference incorporated herein, are hereby adopted by the District.



Approved and adopted at a regular meeting held on the 19th day of July 2023.

Todd Sanders, President

Jim Doane, Secretary



**TUALATIN VALLEY WATER DISTRICT
EXHIBIT A - WATER RATES**

<u>VOLUME WATER CHARGE:</u>		<u>Effective 11/1/2023</u>	<u>Effective 11/1/2024</u>
<u>CLASS CODE 1</u>	<u>RESIDENTIAL</u>		
BLOCK 1	0-28 CCF (PER BI-MONTHLY BILLING PERIOD)	\$8.58	\$10.08
BLOCK 2	29 + (PER BI-MONTHLY BILLING PERIOD)	\$12.22	\$14.36
<u>CLASS CODE 2</u>	<u>MULTI-FAMILY</u>		
BLOCK 1	UP TO 1.4 TIMES 12-MONTH MOVING AVERAGE	\$8.58	\$10.08
BLOCK 2	OVER 1.4 TIMES 12-MONTH MOVING AVERAGE	\$12.22	\$14.36
<u>CLASS CODE 3</u>	<u>COMMERCIAL NON-PRODUCT</u>		
BLOCK 1	UP TO 1.4 TIMES 12-MONTH MOVING AVERAGE	\$8.58	\$10.08
BLOCK 2	OVER 1.4 TIMES 12-MONTH MOVING AVERAGE	\$12.22	\$14.36
<u>CLASS CODE 4</u>	<u>PRODUCTION PROCESSES</u>		
BLOCK 1	UP TO 1.4 TIMES 12-MONTH MOVING AVERAGE	\$8.58	\$10.08
BLOCK 2	OVER 1.4 TIMES 12-MONTH MOVING AVERAGE	\$12.22	\$14.36
<u>CLASS CODE 5</u>	<u>FIRELINE</u>		
BLOCK 1	ALL CONSUMPTION	\$8.58	\$10.08
<u>CLASS CODE 6</u>	<u>IRRIGATION</u>		
BLOCK 1	UP TO 1.4 TIMES 12-MONTH MOVING AVERAGE	\$8.58	\$10.08
BLOCK 2	OVER 1.4 TIMES 12-MONTH MOVING AVERAGE	\$12.22	\$14.36
<u>CLASS CODE 7</u>	<u>TEMPORARY IRRIGATION</u>		
BLOCK 1	UP TO 1.4 TIMES 12-MONTH MOVING AVERAGE	\$8.58	\$10.08
BLOCK 2	OVER 1.4 TIMES 12-MONTH MOVING AVERAGE	\$12.22	\$14.36
<u>CLASS CODE 8</u>	<u>LOCAL GOVERNMENT WATER PURVEYORS</u>		
	Volume charges shall be at contractual rates.		

<u>FIXED CHARGES (FOR ALL CLASS CODES):</u>		<u>Effective 11/1/2023</u>		<u>Effective 11/1/2024</u>	
<u>METER SIZE OR EQUIVALENT SERVICE SIZE</u>		<u>MONTHLY</u>	<u>BI- MONTHLY</u>	<u>MONTHLY</u>	<u>BI- MONTHLY</u>
5/8"		\$ 25.93	\$ 51.86	\$ 30.47	\$ 60.94
3/4"		\$ 28.56	\$ 57.12	\$ 33.56	\$ 67.12
1"		\$ 35.20	\$ 70.40	\$ 41.36	\$ 82.72
1 1/2"		\$ 47.30	\$ 94.60	\$ 55.58	\$ 111.16
2"		\$ 69.76	\$ 139.52	\$ 81.97	\$ 163.94
3"		\$ 194.25	\$ 388.50	\$ 228.24	\$ 456.48
4"		\$ 260.27	\$ 520.54	\$ 305.82	\$ 611.64
6"		\$ 419.46	\$ 838.92	\$ 492.87	\$ 985.74
8"		\$ 605.89	\$ 1,211.78	\$ 711.92	\$ 1,423.84
10"		\$ 996.53	\$ 1,993.06	\$ 1,170.92	\$ 2,341.84

Note: If snowbird customers do not request a service turn-on from the District and there has been movement on the meter, the District will apply fixed charges for the entire 2-month billing cycle.

Private fire services are charged at the service size as determined by the nominal size of the backflow prevention assembly unless otherwise established by the District's Chief Operating Officer based on engineering equivalence. For service sizes not listed above, the next larger service size will be used.

TUALATIN VALLEY WATER DISTRICT
EXHIBIT B - OTHER SERVICES CHARGES & PENALTIES

Proposed
11/1/2023

1. Water Service on or off at customer's or owner's request		
a. First call -- during office hours, Monday through Friday except for snowbird turn off.		N/C
b. Leaks or emergencies beyond customer control -- during office hours or after hours or weekends		N/C
c. Service on and off, second call during office hours		\$110
d. Service on and off, second call after hours (an additional)		\$90
e. All snowbird turn offs		\$105
2. Water Service on and off for non-payment		
a. Service on and off, during office hours, Monday through Friday		\$110
b. After hours or weekend service on and off (an additional)		\$90
c. Broken promise turn off		\$110
3. Additional charges, if necessary, to enforce payment of bill or charges		
a. Removal of meter		\$200
b. Reinstallation of meter		N/C
c. Installation or removal of locking device-first occurrence		\$110
d. Installation or removal of locking device-second occurrence		\$125
e. Installation or removal of locking device-third occurrence		\$240
	& meter pulled	
f. Repair of breakage/damage to locking mechanism (curb stops, etc.)		Time & Materials
g. Service off water at main or reinstating service		Time & Materials
h. Check returned by bank for non-payment (NSF)		\$37
i. Meter tampering and/or using water without authority		\$60
j. Charge for incorrect financial institution account information		
First two times no charge. Charge per incident, third time and above.		\$25
4. Decreasing or increasing size of meter		Time & Materials
	(plus any applicable system development charges)	
5. Testing water meters at customer's or owner's request		
a. Testing on premises (5/8" – 3/4" – 1")		\$195
b. Removal of meter for testing (5/8" – 3/4" – 1")		\$420
c. Testing of meters larger than 1"		Time & Materials
6. Removal of meter during construction		
a. Removal of meter		\$200
b. Loss of meter (see Meter & Service Installation Charges)		Based on Meter Size

TUALATIN VALLEY WATER DISTRICT
EXHIBIT B - OTHER SERVICES CHARGES & PENALTIES

Proposed
11/1/2023

7.	Fire hydrant fees	
	a. Repair of breakage/damage	Time & Materials
	12-month fire hydrant permits -- mandatory for fire hydrant usage:	
	b. Hydrant permit (tanks ≤500 gallons)	\$235
	c. Hydrant permit (tanks 501-1499 gallons)	\$685
	d. Hydrant permit (tanks 1500-2999 gallons)	\$1,230
	e. Hydrant permit (tanks ≥3000 gallons)	\$2,420
	f. Off-site tank inspection (does not include permit)	\$105
	g. Lost placard replacement	\$50
	Hydrant meter fees:	
	h. Administrative Fee	\$555
	i. Daily Fee for 1-inch meter	\$0.10
	j. Daily Fee for 2-inch meter	\$0.20
	k. Daily Fee for 3-inch meter	\$1.20
	l. Hydrant meter deposit (refundable less damages):	
	1-inch	\$500
	2-inch	\$1,000
	3-inch	\$2,000
	Fire hydrant fees for Clean Water Services:	
	m. 12-month fire hydrant permit (plus water usage billed at current Block 1 rate)	\$135
8.	Backflow prevention device testing	
	Device testing	
	a. Initial test fee per device	\$110
	b. All subsequent tests are the responsibility of the owner -- to be done annually by a State Certified Backflow Tester of their choice	
	Gold plan	
	Annual fee per device dependent on customer agreement to have the District schedule & perform required annual test. Test performed by District contractor & includes \$50 annually in minor repairs to existing device to achieve passing test.	\$35
	Enforcement fee	
	Annual fee per device. Applies if customer hasn't completed annual test by required date and is scheduled for shutoff. Test performed by District contractor in lieu of shutoff. Fee does not include cost of repairs that may be required.	\$65
	Service on and off for non-compliance of annual testing and reporting.	
	a. Service on and off, during office hours, Monday through Friday	\$110
	b. After hours or weekend service on and off (an additional)	\$90

TUALATIN VALLEY WATER DISTRICT
EXHIBIT B - OTHER SERVICES CHARGES & PENALTIES

Proposed
11/1/2023

9.	Flow testing of fire hydrants	
	a. Request for flow test, we have existing information within last 3 years, and no significant changes have occurred.	\$35
	b. No existing fire flow information. Modeled fire flow is ok.	\$110
	c. No existing information. Full test is requested.	\$615
	d. Extended pressure test (if requested as part of full flow test).	\$755
	e. Extended pressure test without an additional flow test.	\$510
10.	Plan review & inspection services fees	
	Plan Review Fees [1]	
	a. Residential subdivision 1-10 lots	\$435
	b. Residential subdivision 11-50 lots	\$910
	c. Residential subdivision 51-100 lots	\$1,140
	d. Residential subdivision more than 100 lots	\$1,330
	e. Commercial development, service line smaller than 2", and no vault	\$720
	f. Commercial development, service line 2" or larger, with vault(s)	\$1,585
	Inspection Fees [1][2]	
	g. Residential subdivision 1-10 lots	\$3,160
	h. Residential subdivision 11-50 lots	\$5,075
	i. Residential subdivision 51-100 lots	\$6,660
	j. Residential subdivision more than 100 lots	\$10,485
	k. Commercial development, service line smaller than 2", and no vault	\$640
	l. Commercial development, service line 2" or larger, with vault(s)	\$7,040
	Miscellaneous Fees	
	m. Plan Resubmittal Fee [3]	\$165
	n. Performance Bond Admin Fee [4]	\$490
	o. Additional Sampling Fee [5]	\$530
	p. Reinspection Fee [6]	\$205

[1] The plan review fee and inspection fee may be paid as each service is required. They are not required to be paid at the same time.

[2] When developments are constructed in phases, inspection fees will be assessed for each phase of the development.

[3] Applies when the time between the final plan review approval and the pre-construction meeting exceeds 6 months, or when a plan requires more than 3 resubmittals (a total of 4 reviews).

[4] Applies when the Developer requests to have water meter(s) installed prior to acceptance by the District of all public waterline construction identified on the approved plans.

[5] Applies to each additional round of sampling (includes initial and follow-up samples) required when either the initial or follow-up sample(s) fails.

[6] Applies when a final inspection is requested, and one or more punch list items are not complete. Payment of the reinspection fee is required before additional inspections can be requested.

TUALATIN VALLEY WATER DISTRICT
EXHIBIT B - OTHER SERVICES CHARGES & PENALTIES

Proposed
11/1/2023

11. SDC finance contract and recording fee	\$530
12. Temporary irrigation meter	\$2,750
13. Public records request fees	
a. Staff time - no cost for first half hour of staff time (rate per hour)	\$35
b. Staff time to transcribe a recording (rate per hour)	\$35
c. Attorney time for reviewing and redacting records (billed in tenths of an hour)	Actual cost
d. Certified copy service (rate per certification)	\$5
Photocopies:	
e. Black and white - 8 1/2" x 11" (price per sheet of paper)	\$0.02
f. Black and white - 8 1/2" x 14" and larger (price per sheet of paper)	\$0.05
g. Color - 8 1/2" x 11" (price per page)	\$0.05
h. Color - 8 1/2" x 14" and larger (price per page)	\$0.15
i. Data media (e.g., CD or DVD)	Actual cost
j. Mailing and postage supplies	Actual cost

Other billing charges

Any other services performed by District personnel for which there is not a fee specified in this Resolution shall be charged at the employee's salary plus the cost of other personnel expenses for the actual time spent on the service (minimum 0.25 hours); plus the cost for materials and District equipment used including overhead rates and any deposits required by the District.

Carrying charges

Bills issued by TVWD which remain unpaid for over thirty (30) days may be subject to a carrying charge at a rate of 9% per year on the unpaid balance.

Fee Waivers

The Chief Executive Officer (CEO) or designee may waive all or a portion of the Other Service Charges & Penalties in Exhibit B if the CEO or designee determines that it is in the equitable and best interest of the District considering the particular circumstances involved in each case.

TUALATIN VALLEY WATER DISTRICT
EXHIBIT B - METER AND SERVICE INSTALLATION CHARGES

Proposed
11/1/2023

Meter and Service Installation Charges By Meter Size

Meter Size	Service Installs [1]		Meter Fees		Traffic-rated Meter Box [5]		
	Dig-Ins [2]	Subdivisions [3]	Standard	Return Visit [4]			
5/8" } 3/4" } 1" Service 1" } Line 1-1/2"	\$2,755	\$1,105	\$360	\$140	\$155		
2"			\$385	\$140	\$155		
3"			\$450	\$140	\$155		
4"			\$3,435	\$3,435	\$670	\$140	\$180
5"			\$3,435	\$3,435	\$820	\$140	\$180
6"	N/A	N/A	\$5,725	N/A	N/A		
8"			\$7,445				
10"			\$11,455				
12"			\$13,745				
14"			\$22,910				

[1] Per District water system standards all meters up to 1" in size require a 1" service line.

[2] Dig-ins are defined as a service tap in an existing main in an existing street.

[3] Subdivisions are defined as undeveloped streets where mains will be installed.

[4] Additional fee for each return visit if more than one trip is required to install meter.

[5] Where a traffic-rated meter box is required, additional fee applies.

TUALATIN VALLEY WATER DISTRICT
EXHIBIT C - CIVIL PENALTIES AND FINES

Proposed
11/1/2023

1. Illegal use of water	\$150
	(plus water usage billed at current rates)
2. Illegal use of fire line	
a. First occurrence	N/C
b. Second occurrence (plus estimated water usage billed at Block 1 rate)	\$150
c. Third occurrence (plus estimated water usage billed at Block 1 rate)	\$1,000
d. All subsequent occurrences subject to final remedies determined by CEO or designee on a case-by-case basis per District Rules and Regulations (plus estimated water usage billed at Block 1 rate)	
3. Illegal use of fire hydrants	
a. Penalty for unauthorized hydrant use (within a 12-month period):	
First offense	\$1,000
Second offense	\$2,000
Third offense	\$4,000
b. Penalty for using non-approved tank or creating unprotected cross connection within a 12-month period (expired permit, uninspected tank, or other potential health hazard)	\$2,000
4. System tampering penalties for unauthorized alteration or manipulation of TVWD system	
a. Alteration or manipulation without causing impacts to customers	\$5,000 per occurrence (plus reimbursement of staff response)
b. Alteration or manipulation which causes impacts to customers (reduced pressure, loss of pressure, etc.)	\$10,000 per occurrence (plus reimbursement of staff response)
c. Additional infractions	Base fee listed above + \$10,000

Penalty and Fine Waivers

The Chief Executive Officer (CEO) or designee may waive all or a portion of the Penalties in Exhibit C if the CEO or designee determines that it is in the equitable and best interest of the District considering the particular circumstances involved in each case.



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 15-23

A RESOLUTION APPROVING THE INTERGOVERNMENTAL AGREEMENT BETWEEN TUALATIN VALLEY WATER DISTRICT AND THE CITY OF BEAVERTON FOR METER READING SERVICES.

WHEREAS, the City of Beaverton (Beaverton) and Tualatin Valley Water District (District) serve their respective water systems from water source treatment, transmission water lines, reservoirs and other water system facilities; and

WHEREAS, since 2012 District has provided Beaverton with meter reading services pursuant to an intergovernmental agreement, that has been renewed annually; and

WHEREAS, the Intergovernmental Agreement Between Tualatin Valley Water District And The City of Beaverton For Meter Reading Services, attached hereto as Exhibit 1 and incorporated by reference (Agreement) is a restatement of the existing agreement but updated to reflect changes in personnel administering the Agreement; and

WHEREAS, pursuant to Oregon Revised Statutes 190.003 to 190.130, the Parties desire to enter into the Agreement and being advised.

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

Section 1: The Intergovernmental Agreement between Tualatin Valley Water District and the City of Beaverton For Meter Reading Services, attached hereto as Exhibit 1 and incorporated by reference, is hereby approved.

Section 2: The Chief Executive Officer is authorized to execute this contract following approval by Beaverton.

Section 3: The Board authorizes the Chief Executive Officer to execute an amended version of the contract so long as the final executed version is substantially the same as that set forth on Exhibit 1 and the General Counsel has approved.

Approved and adopted at a regular meeting held on the 20th day of September 2023.

Todd Sanders, President

Jim Doane, Secretary

Section 2: The District shall make a copy of this resolution available to the public at the office of the District and through other media.

Approved and adopted at a regular meeting held on the 20th day of September 2023.

Todd Sanders, President

Jim Doane, Secretary



**INTERGOVERNMENTAL AGREEMENT BETWEEN
TUALATIN VALLEY WATER DISTRICT THE CITY OF BEAVERTON
FOR WATER METER READING SERVICES**

PARTIES:

TVWD: Tualatin Valley Water District (TVWD), a domestic water supply district

CITY: City of Beaverton (City), an Oregon municipal corporation.

Together collectively referred to as the “Parties” or individually as a “Party.”

BACKGROUND:

- A. ORS 190.003 - 190.110 encourages intergovernmental cooperation and authorizes local governments to delegate to each other the authority to perform their respective functions as necessary.
- B. By contract and intergovernmental agreement, TVWD has provided water meter reading services to the City of Beaverton since April 1, 2000.
- C. The Parties desire to continue the contractual relationship under a new intergovernmental agreement until July 31, 2024.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

- 1. General.** The purpose of this Intergovernmental Agreement Between Tualatin Valley Water District the City of Beaverton for Water Meter Reading Services (Agreement) is for TVWD to provide water meter reading services for the City of Beaverton.
- 2. Term and Cancellation.**
 - 2.1.** This Agreement shall become effective on the date executed by both Parties. It will terminate on July 31, 2024, unless both parties mutually agree to extend it in writing on the same or different terms. If the Agreement is extended under the same terms, the Agreement may be renewed by TVWD's Chief Executive Officer and the City Manager. If the Agreement is extended under different terms, the Agreement would be renewed by authorization of TVWD's Board and the City Council.
 - 2.2.** In the event that a Party fails to comply with any term or condition, or fulfill any obligation of this Agreement, the other Party may terminate this agreement by giving thirty (30) days written notice to the defaulting Party. In the event of termination, the City shall pay TVWD for the costs incurred to read meters or provide other services delivered as part of this Agreement since the prior month's billing statement.

3. City Obligations. The City agrees to maintain all such meters and meter enclosures in reasonable repair and proper working order at all times so that TVWD can perform the contracted service without undue danger or hardship. Furthermore, the City agrees to cooperate with TVWD to ensure the orderly execution of TVWD's obligations of this Agreement. To that end, the City provides TVWD information that is reasonably requested by TVWD. Furthermore, the City will provide access to all meters and undertake those actions required to ensure TVWD's access to the meters. TVWD shall not be held responsible or liable for any defective or faulty meters and meter enclosures; however, TVWD will be responsible for all damage to meters and meter enclosures it causes during the course of its work.

4. TVWD Obligations and Exclusions.

- 4.1. TVWD shall make a diligent attempt to establish a read for each meter. Diligence includes but is not limited to: the reader wiping off the meter glass, using a scope to read meters underwater, and accessing meters which are enclosed in vaults, as long as the reader does not need to physically enter the vault. TVWD is not required to read meters that are inaccessible.
- 4.2. TVWD shall not be responsible for readings associated with the City's customers moving in or out. Further, TVWD shall not be responsible for reading meters due to extreme weather conditions caused by an act of God that would make it impossible for TVWD to perform said contracted service by the City's "Need By" Date (as outlined in Exhibit A). If reading is delayed beyond the "Need By" Date, both parties shall decide when or if reading shall be performed by TVWD for that particular Cycle/Group.
- 4.3. TVWD shall read the meters that the City has designated, which may increase or decrease as the City establishes new accounts or removes meters. Meters are grouped into reading cycles assigned into appropriate book numbers mutually agreed upon by City and TVWD staff and the reading schedule is outlined in Exhibit A.
- 4.4. TVWD will make rereads due to any omissions or errors on the part of TVWD's employees. The rereads shall be made as soon as reasonably practical.
- 4.5. TVWD will furnish the reading results to the City in a timely manner and transmit the file to the City via email. The file shall be in an electronic format that is acceptable to both TVWD and the City. The City is responsible for uploading the file to the City's utility billing system. The reading results shall also include meter reading codes that indicate any non-normal status of the meter including items such as: broken/scratched lens, broken meter top, meter not accessible due to car, debris or any other reason why the meter cannot be read, meter box filled with water, etc. The code list is to be mutually agreed to by both Parties and may be modified from time to time.
- 4.6. TVWD is not required to read meters on property where there is no access. TVWD will not read meters in large vaults that need to be physically entered or which are flooded and cannot be read with a scope. In addition, TVWD will not take readings as outlined in Section (e) of this section.

5. Payment for Services

TVWD shall submit a monthly bill to the City that includes two charges. The first charge will be called a meter reading charge and will be charged on a time and material basis for the cost incurred to read the cycles/groups for any given month. The cost incurred will be based on TVWD's adopted budget, including direct and indirect overhead charges.

The second charge will be for services requested by the City that are outside of the normal meter reading requirements. These other services, specifically agreed to by the parties, will be billed monthly on a time and materials basis using TVWD's costs, including both direct and indirect overhead costs.

The City will pay TVWD for work completed under both charges on a monthly basis. TVWD will submit an invoice on or after the 24th of each month, for the previous month's reading services, to the City Finance Department, PO Box 4755, Beaverton, Oregon 97076-4755. All invoices for services performed will be paid within 15 business days.

By May 1 of each year, TVWD will provide the City with the estimated cost per meter read for the ensuing fiscal year, which begins on July 1.

6. Indemnification. Within the limits of the Oregon Tort Claims Act, codified at ORS 30.260 through 30.300, each Party agrees to indemnify and defend the other and its officers, employees, agents and representatives from and against all claims, demands, penalties, and causes of action of any kind or any character relating to or arising from this Agreement, including the cost of defense, including attorney fees arising in favor of any person on account of personal injury, death, or damage to property and arising out of or resulting from the negligent or other legally culpable acts or omissions of the indemnitor, its employees, agents, subcontractors or representatives.

7. Relationship of Parties. No provision of this Agreement shall be construed to create a partnership, joint venture or employer-employee relationship. TVWD is acting as an independent contractor to the City for Meter Reading purposes as outlined in Section 4. No employee of the City shall be considered to be an employee of TVWD and no employee of TVWD shall be considered to be an employee of the City.

Section 8. Standard of Care. Services performed under this Agreement shall be performed in a manner consistent with local, state and federal law. Either party has the right to audit the public records of the other at reasonable times and upon reasonable notice. Each party shall carry out its obligations and responsibilities under this Agreement in a manner consistent with the standard of reasonable care.

9. Approval Required. This Agreement and all amendments shall not be effective until approved by both the Beaverton's City Council and TVWD's Board of Commissioners. The City Manager and TVWD's Chief Executive Officer or designee may approve amendments related to compensation for services outside the scope of work described in Section 4 if the cost is within the authority allowed by applicable ordinances, resolutions, rules or policies of the approving party.

10. Project Managers. The Project Manager designated to carry out the purposes of this Agreement shall be Tyler Spath on behalf of the City and Andrew Carlstrom behalf of TVWD. Either party may change its Project Manager by providing written notice to the other party. All notices and correspondence between the parties shall be addressed to Andrew Carlstrom, Tualatin Valley Water District, 1850 SW 170th Ave, Beaverton, Oregon 97006 and Tyler Spath, City of Beaverton, P.O. Box 4755, Beaverton, Oregon 97076.

11. Interagency Communications. The City and TVWD agree to meet periodically and may establish a joint oversight committee to address issues that may arise during the term of this Agreement. Additionally, the City and TVWD agree to share information, including periodic data transfers, which may assist the parties in accomplishing the tasks set out in this Agreement.

The City Manager and TVWD's Chief Executive Officer may provide for additional and agreed upon procedures, protocols and understandings in order to carry out the terms of this Agreement and to enhance communication between the two entities by written and signed memorandum.

12. Dispute Resolution. In the event of a dispute between the Parties regarding their respective rights and obligations pursuant to this Agreement, the Parties shall first attempt to resolve the dispute by negotiation by the Project Managers.

Step 1: Initially, the Project Managers will negotiate on behalf of the entities they represent. If a dispute is not resolved within ten (10) business days, the Parties shall proceed to Step 2.

Step 2: Upon failure of the Project Managers to resolve a dispute, the nature of the dispute shall be rendered in writing and shall be presented to the City Manager and TVWD's Chief Executive Officer who shall then attempt to resolve the issue. If the dispute is resolved at this step, there shall be a written determination of such resolution, signed by both Parties, and the decision shall be binding on both Parties. Resolution of an issue at this step requires concurrence of both the City Manager and TVWD's Chief Executive Officer.

Neither Party may bring legal action against the other Party to interpret or enforce any term of this Agreement in any court unless that Party has first attempted to resolve the matter by means of the dispute resolution process set forth above. This requirement shall not apply to disputes arising from a cause other than interpretation or enforcement of the Agreement.

13. Integration; Waiver. This document constitutes the entire Agreement between the Parties and supersedes all prior or contemporaneous written or oral understandings, representations or communications of every kind. No course of dealing between the Parties and no usage of trade shall be relevant to supplement any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement and no waiver by a Party of any right under this Agreement shall prejudice the waiving Party's exercise of the right in the future.

14. Amendments. No amendment, modification or alteration of this Agreement shall be effective unless made in writing and signed by the City's and TVWD's authorized representative. The authorized representatives of each Party may execute any amendment to this Agreement.

15. Interpretation of Agreement. This Agreement shall not be construed for or against any Party by reason of the authorship or alleged authorship of any provision. The paragraph headings contained in this Agreement are to be used for reference only and shall not be used in construing or interpreting this Agreement.

16. Severability or Survival. If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired unless the result would be a material change in the consideration running to the benefit of either Party. All provisions concerning the limitations of liability, indemnity, and conflicts of interest shall survive the termination of this Agreement for any cause.

17. Governing Law; Venue. The Parties agree that Oregon law will apply, and any legal proceeding shall be brought in the Circuit Court of the State of Oregon for the County of Washington.

18. Counterparts. This Agreement may be signed electronically in two or more counterparts, each of which shall be deemed as an original and which, when taken together, shall constitute one and the same Agreement.

19. Third-Party Beneficiary. The Parties agree that the provisions of this Agreement are for the exclusive benefit of the Parties and not for the benefit of any other person or entity as third-party beneficiaries. This Agreement shall not be deemed to have conferred any rights, express or implied, upon any person or entity not a Party to this Agreement.

THE PARTIES EXECUTED this Agreement on the dates written below.

CITY

TVWD

Lacey Beaty, Mayor

Tom Hickmann, CEO

Date: _____

Date: _____

Approved as to form:

Approved as to form:

City Attorney's Office

Clark Balfour, District Counsel

EXHIBIT A

CURRENT READING SCHEDULE

TVWD will read the City's water meter accounts in four (4) billing cycles/groups each month. Commercial and residential meters are co-mingled. The City expects to bill each of the four (4) groups every month, with one (1) group billed per week over the course of four (4) weeks during the month. Reads must be received by City for each respective billing group at least one (1) week in advance of the scheduled "Billing Date."

On Cycle/Group 1, TVWD may start reading the meters prior to the first day of the month, as long as it is within 1 week of the "Need By Date." For meters read prior to the first day of the month, TVWD shall list those meters as being read on the first day in the meter import file.

The "Begin Read Dates" are typically 1 week prior to "Need By Date." "Need By Date" is typically 1 week prior to City's "Billing Date" for each respective group.

Given that both TVWD and City must take into account holidays, etc., the exact "Begin Read Dates" and "Need By Dates" will be mutually agreed upon via email, by TVWD and City staff no later than the first Friday in December each year prior.



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 16-23

A RESOLUTION TO NAME THE 209TH AVENUE AND FARMINGTON ROAD FACILITY IN HONOR OF RICHARD D. SCHMIDT.

WHEREAS, the Board of Commissioners of Tualatin Valley Water District mourn the recent passing of Richard D. Schmidt who served on the Board for over 25 years; and

WHEREAS, Commissioner Schmidt was a lifelong champion of public health and clean water, both professionally and in his service as a TVWD Board member; and

WHEREAS, Commissioner Schmidt devoted countless hours to the study and evaluation of water quality and treatment of the Willamette River for drinking water purposes, the selection of the Willamette River as a new drinking water source for the District and current implementation of the Willamette Water Supply System; and

WHEREAS, when completed, the Willamette Water Supply System will provide clean, safe, reliable drinking water through a seismically, resilient supply system to the District as well as partner agencies; and

WHEREAS, the District is nearing completion of the Water Facility at SW 209th and Farmington Road which is the westerly entry point to the District's service area from the Willamette Water Supply System and the Board wishes to name the facility in honor of Commissioner Schmidt and being advised.

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

Section 1: The SW 209th and Farmington Road Water Facility is hereby named the "Schmidt Water Facility."

Section 2: Staff is directed to place appropriate signage on the Facility and the District's records shall reflect the name in honor of Commissioner Schmidt.

Approved and adopted at a regular meeting held on the 20th day of September 2023.

Todd Sander, President

Jim Doane, Secretary



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 17-23

A RESOLUTION APPOINTING PAUL MATTHEWS AS THE INTERIM CHIEF EXECUTIVE OFFICER.

WHEREAS, the Board of Commissioners have appointed Tom Hickmann as Chief Executive Officer to administer the operations of the District pursuant to an employment contract and adopted policies; and

WHEREAS, the retirement of the Chief Executive Officer requires the Board of Commissioners to appoint an Interim Chief Executive Officer until the CEO position is filled; and

WHEREAS, the Board of Commissioners finds it necessary to adopt a resolution to appoint Paul Matthews as Interim CEO to vest him with CEO powers for the duration of the Interim CEO tenure and being advised.

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

Section 1: The Board of Commissioners hereby appoints Paul Matthews as the Interim Chief Executive Officer of Tualatin Valley Water District to serve at the pleasure of the Board, effective September 18, 2023.

Section 2: The Interim Chief Executive Officer shall have all powers and duties to execute and administer the policies, programs, ordinances, rules and regulations of the District, provisions and duties of this Resolution and such other duties or tasks as may be assigned by the Board of Commissioners within budget appropriations and all applicable law. This Resolution vests in the Interim CEO the day-to-day control of District operations while reserving to the Board sole policy making authority and control over fiscal policy, budget, and financial matters.

Section 3: The authority of the Interim CEO, consistent with Oregon law, shall include but not be limited to:

- A. Overall management, administration and direction of operations, functions, activities, and programs of the District;
- B. Hiring, setting compensation, supervising, disciplining and discharging of District employees and volunteers subject to applicable law and the policies of the District;
- C. Execution and administration of the District's policies within budget appropriations according to the District's policies and pursuant to law, ordinance, and resolutions.
- D. Policy advice to the Board of Commissioners and communication with the community to foster responsive and courteous public service.
- E. Supervise the construction, operation, maintenance, repair and replacement of District facilities and equipment owned by the District.

- F. Keep and maintain proper fiscal records in accordance with law.
- G. Do and perform all things necessary to be done to fully and completely administer the District and as otherwise directed by the Board of commissioners; and
- H. Provide assistance or services to other units of government when within the District's purposes and objectives to the extent reasonable and practical, which is encouraged but not required.

Section 4: The Board agrees to the principle that communications from a Board Member outside of a Board meeting shall be directed to the Interim CEO unless the Interim CEO directs other staff to respond directly and so informs the Board member.

Section 5: During the period of this Interim CEO appointment, Paul Matthews shall be compensated according to District Policy 2.2.2 *Promotions and Transfers, Compensation* for working out of grade and staff is directed to take all action to make this compensation adjustment. Upon expiration of this appointment, Paul Matthews will revert to his prior position as the District's Chief Financial Officer.

Approved and adopted at a special meeting held on the 3rd day of October 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 18-23

A RESOLUTION ADOPTING 2023-25 SUPPLEMENTAL BUDGET ESTABLISHING THE SYSTEM DEVELOPMENT CHARGES FUND, 2023 REVENUE BOND FUND, AND 2024 REVENUE BOND FUND, AND ADJUSTING APPROPRIATIONS FOR 2023-25 BIENNIUM.

WHEREAS, on May 31, 2023, the District issued its *Water Revenue Bonds, Series 2023*; and

WHEREAS, the Board of Commissioners adopted Resolution 08-23 on June 21, 2023, a resolution adopting the budget and making appropriations for the Tualatin Valley Water District for the 2023-2025 biennium; and

WHEREAS, staff recommends the creation of additional budgetary funds for each capital funding source to help ensure legal and tax compliance of the District's tax-exempt bond issues; and

WHEREAS, at the District's October 3, 2023 Board Work Session, staff presented the Board of Commissioners a recommendation to establish the additional funds; and

WHEREAS, Oregon Revised Statutes (ORS) 294.471 allows the District to adopt supplemental budgets and authorize appropriations by resolution of the governing body; and

WHEREAS, the supplemental budget will create three new funds: the System Development Charges (SDC) Fund, the 2023 Revenue Bond Fund, and the 2024 Revenue Bond Fund; and

WHEREAS, the supplemental budget will create Transfer appropriation of \$8,906,616 in the SDC Fund, \$82,211,329 in the 2023 Revenue Bond Fund, and \$120,000,000 in the 2024 Revenue Bond Fund; and

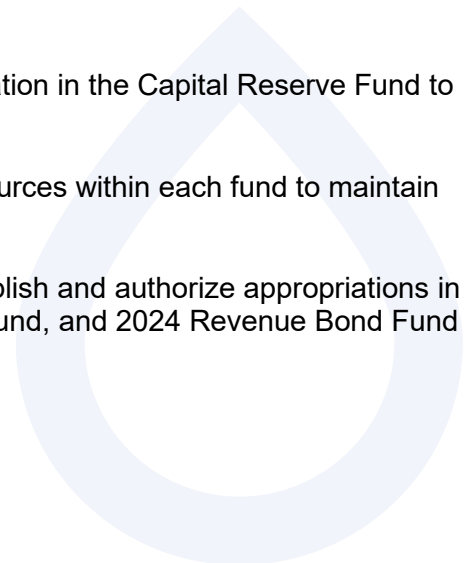
WHEREAS, the supplemental budget will rename the Debt Proceeds Fund to the WIFIA Proceeds Fund, and

WHEREAS, the supplemental budget will reduce Transfer appropriation in the renamed WIFIA Proceeds Fund to \$243,130,240; and

WHEREAS, the supplemental budget will reduce the Transfer appropriation in the Capital Reserve Fund to \$453,806,728; and

WHEREAS, the proposed supplemental budget provides sufficient resources within each fund to maintain a balanced budget for each fund; and

WHEREAS, the Board of Commissioners finds that it is prudent to establish and authorize appropriations in the System Development Charges (SDC) Fund, the 2023 Revenue Bond Fund, and 2024 Revenue Bond Fund for the purposes described in this resolution; and



WHEREAS, the District published a Notice of Supplemental Budget Hearing in the *Oregonian*, a newspaper of general circulation, on November 4, 2023.

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

Section 1: The SDC Fund (Fund 19) is established and Transfer appropriation in the amount of \$8,906,616 is hereby adopted.

Section 2: The 2023 Revenue Bond Fund (Fund 23) is established and Transfer appropriation in the amount of \$82,211,329 is hereby adopted.

Section 3: The 2024 Revenue Bond Fund (Fund 24) is established and Transfer appropriation in the amount of \$120,000,000 is hereby adopted.

Section 4: The Debt Proceeds Fund (Fund 22) is renamed to WIFIA Proceeds Fund and Transfer appropriation is hereby reduced to \$243,130,240.

Section 5: Transfer appropriation in the Capital Reserve Fund (Fund 18) is hereby reduced to \$453,806,728.

Approved and adopted at a regular meeting held on the 15th day of November 2023.

Todd Sanders, President

Jim Doane, Secretary





2023-25 Supplemental Budget Summary

Capital Reserve Fund (Fund 18)	2023-25 Adopted		Supplemental Proposed		Change
<u>Resources</u>					
Beginning Fund Balance	\$	108,757,547	\$	108,757,547	\$ -
Interest Income	\$	5,221,939	\$	5,221,939	\$ -
Sales of Meters & Services	\$	3,576,750	\$	3,576,750	\$ -
System Development Charges	\$	8,906,616	\$	-	\$ (8,906,616)
Transfers In:					
From General Fund	\$	120,000,000	\$	120,000,000	\$ -
From Debt Proceeds (WIFIA) Fund	\$	314,436,597	\$	161,248,990	\$ (153,187,607)
From 2023 Revenue Bond Fund	\$	-	\$	55,001,502	\$ 55,001,502
Total Transfers In	\$	434,436,597	\$	336,250,492	\$ (98,186,105)
Total Resources	\$	560,899,449	\$	453,806,728	\$ (107,092,721)

Requirements

Transfers Out:					
To Capital Improvement Fund	\$	471,065,937	\$	363,973,216	\$ (107,092,721)
Total Transfers Out	\$	471,065,937	\$	363,973,216	\$ (107,092,721)
Ending Fund Balance	\$	89,833,512	\$	89,833,512	\$ -
Total Requirements	\$	560,899,449	\$	453,806,728	\$ (107,092,721)

WIFIA Proceeds Fund (Fund 22) - Renamed

	2023-25 Adopted		Supplemental Proposed		Change
<u>Resources</u>					
Beginning Fund Balance	\$	99,023,722	\$	99,023,722	\$ -
Interest Income	\$	330,079	\$	-	\$ (330,079)
Debt Proceeds	\$	264,106,518	\$	144,106,518	\$ (120,000,000)
Total Resources	\$	363,460,319	\$	243,130,240	\$ (120,330,079)

Requirements

Transfers Out:					
To Capital Improvement Fund	\$	49,023,722	\$	-	\$ (49,023,722)
To Capital Reserve Fund	\$	314,436,597	\$	161,248,990	\$ (153,187,607)
To 2023 Revenue Bond Fund	\$	-	\$	81,881,250	\$ 81,881,250
Total Transfers Out	\$	363,460,319	\$	243,130,240	\$ (120,330,079)
Total Requirements	\$	363,460,319	\$	243,130,240	\$ (120,330,079)



2023-25 Supplemental Budget Summary New Funds

System Development Charges Fund (Fund 19)

<u>Resources</u>	<u>2023-25 Adopted</u>	<u>Supplemental Proposed</u>	<u>Change</u>
System Development Charges	\$ -	\$ 8,906,616	\$ 8,906,616
Total Resources	\$ -	\$ 8,906,616	\$ 8,906,616
<u>Requirements</u>			
Transfers Out:			
To Capital Improvement Fund	\$ -	\$ 8,906,616	\$ 8,906,616
Total Transfers Out	\$ -	\$ 8,906,616	\$ 8,906,616
Total Requirements	\$ -	\$ 8,906,616	\$ 8,906,616

2023 Revenue Bonds Fund (Fund 23)

<u>Resources</u>	<u>2023-25 Adopted</u>	<u>Supplemental Proposed</u>	<u>Change</u>
Transfers In	\$ -	\$ 81,881,250	\$ 81,881,250
Interest Income	\$ -	\$ 330,079	\$ 330,079
Total Resources	\$ -	\$ 82,211,329	\$ 82,211,329
<u>Requirements</u>			
Transfers Out:			
To Capital Improvement Fund	\$ -	\$ 27,209,827	\$ 27,209,827
To Capital Reserve Fund	\$ -	\$ 55,001,502	\$ 55,001,502
Total Transfers Out	\$ -	\$ 82,211,329	\$ 82,211,329
Total Requirements	\$ -	\$ 82,211,329	\$ 82,211,329

2024 Revenue Bonds Fund (Fund 24)

<u>Resources</u>	<u>2023-25 Adopted</u>	<u>Supplemental Proposed</u>	<u>Change</u>
Debt Proceeds	\$ -	\$ 120,000,000	\$ 120,000,000
Total Resources	\$ -	\$ 120,000,000	\$ 120,000,000
<u>Requirements</u>			
Transfers Out:			
To Capital Improvement Fund	\$ -	\$ 120,000,000	\$ 120,000,000
Total Transfers Out	\$ -	\$ 120,000,000	\$ 120,000,000
Total Requirements	\$ -	\$ 120,000,000	\$ 120,000,000



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 19-23

A RESOLUTION ENDORSING THE ANNEXATION TO THE TUALATIN VALLEY WATER DISTRICT TAX LOT 200 AND PORTIONS OF TAX LOT 100 ON WASHINGTON COUNTY ASSESSOR'S TAX MAP 1N1-21AB.

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

WHEREAS, Jon and Jane Malinowski, A & F Malinowski Marital Trust, and A & F Malinowski Family Trust, (Owners, collectively), are the owners of Tax Lot 100 and Tax Lot 200 on Washington County Assessor's Tax Map 1N1-21AB (Properties, collectively), allocated as set forth in Exhibit C, attached hereto and incorporated by reference; and

WHEREAS, the area described as set forth in Exhibit B (Adjusted Property), attached hereto and incorporated by reference, is pending land use review under Washington County Casefile #L2300200 for property line adjustment and subsequent preliminary review for a 38-lot subdivision; and

WHEREAS, Owners' Authorized Representative has requested endorsement to annex the Adjusted Property to the District as set forth in Exhibit A, attached hereto and incorporated by reference; 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

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 District staff to take all action to file this resolution with the Board of County Commissioners of Washington County to cause the annexation of the Area to the District.

Section 3: The Board requests that the Board of County Commissioners 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 15th day of November 2023.

Todd Sanders, President

Jim Doane, Secretary

October 13, 2023

Tualatin Valley Water District Board of Commissioners

**RE: Request for Endorsement of Service District Annexation
for 13432 NW Springville Lane**

Dear Commissioners:

Westlake is the Applicant's Representative for a proposed subdivision development located at 13432 NW Springville Lane, in unincorporated Washington County. The property is owned by the individuals and trusts listed on the attached signed and County-certified annexation petition. Noyes Development Company is currently under contract with the Owners to purchase and develop the property with a 38-lot single-family residential subdivision.

With this letter and attached documents, Westlake is requesting, on behalf of the Property Owners and Noyes Development Company, the TVWD Board of Commissioners' endorsement of the proposed annexation.

Attached to this letter, please find the following County-certified documents:

- Legal Description and Map of Annexation Area
- Annexation Petition, Signed (100% Ownership)

We appreciate your consideration of this request and look forward to receiving confirmation of your endorsement of the proposed annexation area.

Sincerely,

Westlake Consultants, Inc.



Kenneth L. Sandblast, AICP
Principal I Director of Planning

Enclosure

KLS/jg

J:\2740-008.22\5. Planning\4-PRE Application\Annexation\TVWD Letter Request for Endorsement.docx

October 16, 2023

Board of Commissioners
Tualatin Valley Water District

Re: Property Owner Authorization for District Annexation Request

Dear Commissioners,

As owners of the property that is subject of the annexation request, please accept this letter as proof of our authorization allowing Noyes Development Company as Applicant, and Westlake Consultants, Inc. as Applicant's Representative, to file an annexation request with Tualatin Valley Water District for the property identified as Adjusted Tax Lot 200 of Tax Map 1N121AB and shown in the attached map. The property is pending Washington County land use review for a 38-lot subdivision (Casefile #L2300200).

Please contact Clark Vorm of Noyes Development Company at 503-951-3418 or clark@noyesdevelopment.com, or Julia Glisson of Westlake Consultants at 503-684-0652 or jglisson@westlakeconsultants.com if you have any questions.

Sincerely,

DocuSigned by: Jon Malinowski 10/16/2023 | 5:06 PM PDT
Jon Malinowski
3BB3124F62DA4CA...
Owner and Trustee, A&F Marital Trust and A&F Family Trust

DocuSigned by: Jane Malinowski 10/16/2023 | 5:07 PM PDT
Jane Malinowski
3BB3124F62DA4CA...
Owner

Greg Malinowski
Owner and Trustee, A&F Marital Trust and A&F Family Trust

DocuSigned by: Richard Malinowski 10/16/2023 | 6:53 PM PDT
Richard Malinowski
7F7BC32FAE03478...
Trustee, A&F Marital Trust and A&F Family Trust

October 16, 2023

Board of Commissioners
Tualatin Valley Water District

Re: Property Owner Authorization for District Annexation Request

Dear Commissioners,


As owners of the property that is subject of the annexation request, please accept this letter as proof of our authorization allowing Noyes Development Company as Applicant, and Westlake Consultants, Inc. as Applicant's Representative, to file an annexation request with Tualatin Valley Water District for the property identified as Adjusted Tax Lot 200 of Tax Map 1N121AB and shown in the attached map. The property is pending Washington County land use review for a 38-lot subdivision (Casefile #L2300200).

Please contact Clark Vorm of Noyes Development Company at 503-951-3418 or clark@noyesdevelopment.com, or Julia Glisson of Westlake Consultants at 503-684-0652 or jglisson@westlakeconsultants.com if you have any questions.

Sincerely,

Jon Malinowski
Owner and Trustee, A&F Marital Trust and A&F Family Trust

Jane Malinowski
Owner

DocuSigned by:
 10/16/2023

Greg Malinowski
Owner and Trustee, A&F Marital Trust and A&F Family Trust

Richard Malinowski
Trustee, A&F Marital Trust and A&F Family Trust

July 7, 2023
Project No. 2740-008

EXHIBIT A

A tract of land lying in the Northeast 1/4 of Section 21, Township 1 North, Range 1 West of the Willamette Meridian, in Washington County, Oregon, being a portion of that tract of land described in a deed to Fern E. Malinowski, Trustee for A & F Malinowski Family Trust and Fern E. Malinowski, Trustee for A & F Malinowski Marital Trust, recorded as Document Number (Doc. No.) 99140389, Washington County Deed Records, and that tract of land described in a deed to John Malinowski and Jane Malinowski, recorded as Doc. No's. 98012077 and 98012078 Washington County Deed Records; and being more particularly described as follows:

BEGINNING at a 3-1/4" aluminum cap in concrete found marking the SE corner of the Jacob R. French DLC No. 51 same being the southeasterly corner of the herein described tract;

THENCE, along the south line of said 99140389 tract, same being the north lines of the plats of Arbor Heights No. 5 and Arbor Heights No. 6, Washington County Plat Records, North 89°24'40" West, for a distance of 956.94 feet the southwesterly corner of the herein described tract, from which a 3-1/4" aluminum cap in concrete found marking the NE corner of the John Brugger DLC No. 49 bears North 89°24'40" West, a distance of 334.36 feet;

THENCE, leaving said south line, North 00°35'20" East, for a distance of 165.55 feet to the southeast corner of that called 0.307 acre tract described in a deed to Gregory P. Malinowski and Jonella K. Malinowski recorded in Doc. No. 99080152 Washington County Deed Records, from which a 5/8" iron rod with yellow plastic cap stamped "RPLS 1910" bears North 8°21'18" East, a distance of 0.23 feet;

THENCE, along the east line of said called 0.307 acre tract, North 08°21'18" East, for a distance of 273.11 feet to 5/8" iron rod found marking the northeasterly corner thereof on the section line common to sections 16 and 21 of Township 1 North, Range 1 West, of the Willamette Meridian, and northwesterly corner of the herein described tract, from which a 4-1/4" brass disk in concrete found marking the 1/4 corner of said sections 16 and 21 bears North 88°48'17" West, a distance of 404.08 feet;

THENCE, along said section line, South 88°48'17" East, for a distance of 912.41 feet to a 1/2" iron pipe found marking the north-northeast 1/16 corner of said section 21, same being the northwest corner of the plat of Arbor Heights East No. 3, Washington County Plat Records and northeasterly corner of the herein described tract;

THENCE, along the east line of aforementioned Doc. No. 99140389 tract, same being the west line of said plat, South 00°26'31" East, for a distance of 426.57 feet the **POINT OF BEGINNING**.

Containing 406,264 square feet, more or less.

Bearings are Oregon Coordinate Reference System (OCRS), Portland Zone, NAD83(2011), International feet

ANNEXATION CERTIFIED

BY *JF*

OCT 06 2023

**WASHINGTON COUNTY A & T
CARTOGRAPHY**

REGISTERED
PROFESSIONAL
LAND SURVEYOR

[Signature] 7/7/23

OREGON
MARCH 9, 2021
MICHAEL DOWNHOUR
95338PLS

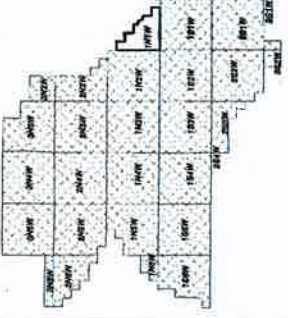
RENEWS: 12-31-2023

1N 1 21AB

1N 1 21AB

1N 1 21AB

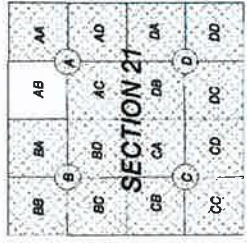
1N 1 21AB



WASHINGTON COUNTY OREGON
 NW 1/4 NE 1/4 SECTION 21 T1N R1W W.M.
 SCALE 1" = 100'

30	31	32	33	34	35	36	37
1	6	5	4	3	2	1	8
12	7	8	9	10	11	12	7
13	18	17	16	15	14	13	18
19	24	23	22	21	20	19	24
25	30	29	28	27	26	25	30
36	31	32	33	34	35	36	31
1	6	5	4	3	2	1	8

FOR ADDITIONAL MAPS VISIT OUR WEBSITE AT
www.wco.washington.or.us



Cancelled Taxlots For: 1N121AB
 800.400.800.700.8400.3700.

ANNEXATION CERTIFIED BY
 WASHINGTON COUNTY
 CARTOGRAPHY
 10623

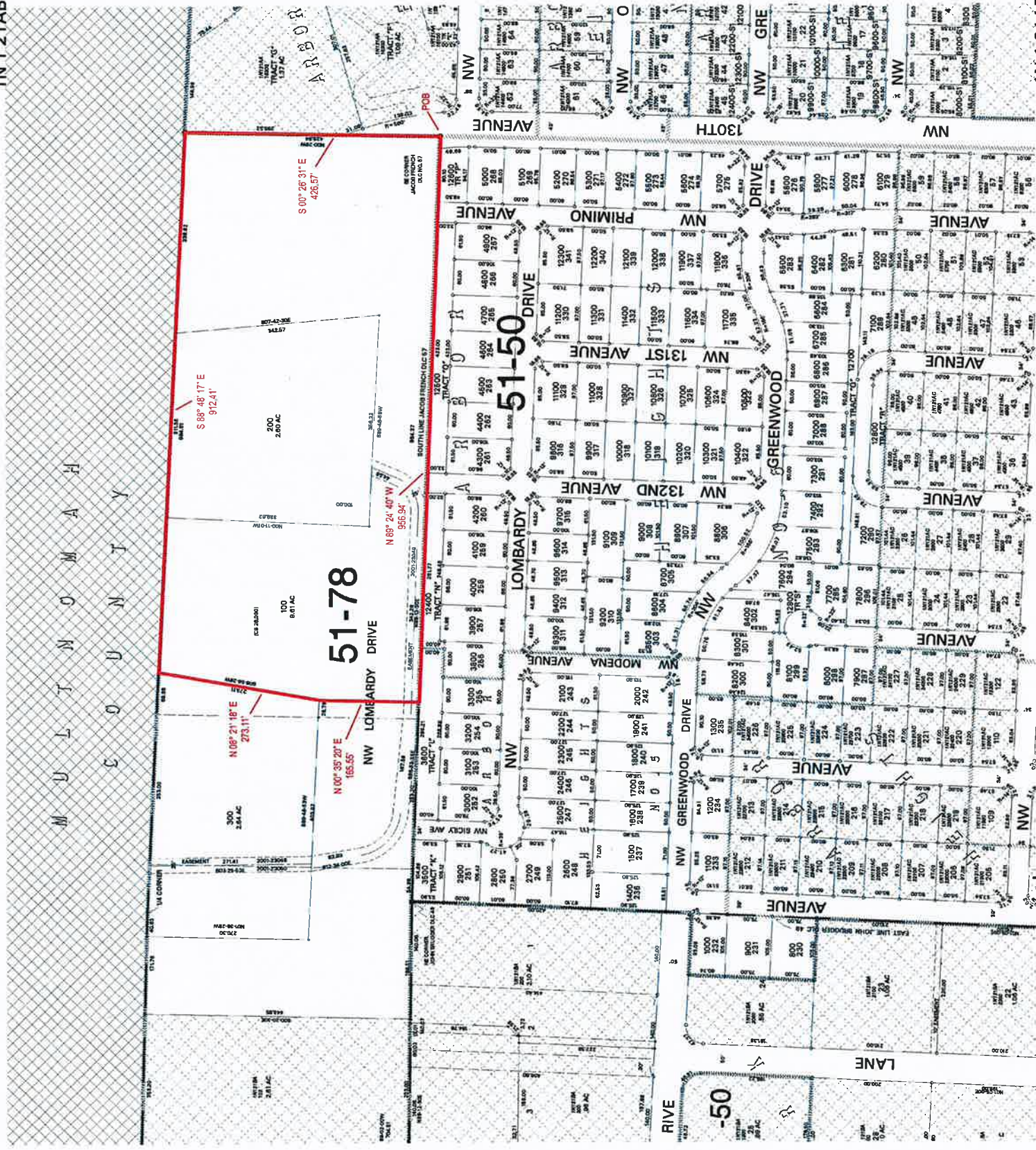
SCALE: 1" = 100'



PLOT DATE: March 29, 2017
 FOR ASSESSMENT PURPOSES
 ONLY. DO NOT RELY ON
 FOR OTHER USE

Map area delineated by either grey shading or a cross-hatch pattern are for reference only and may not indicate the most current property boundaries. Please consult the appropriate title for the most current information.

EXHIBIT B









51015121

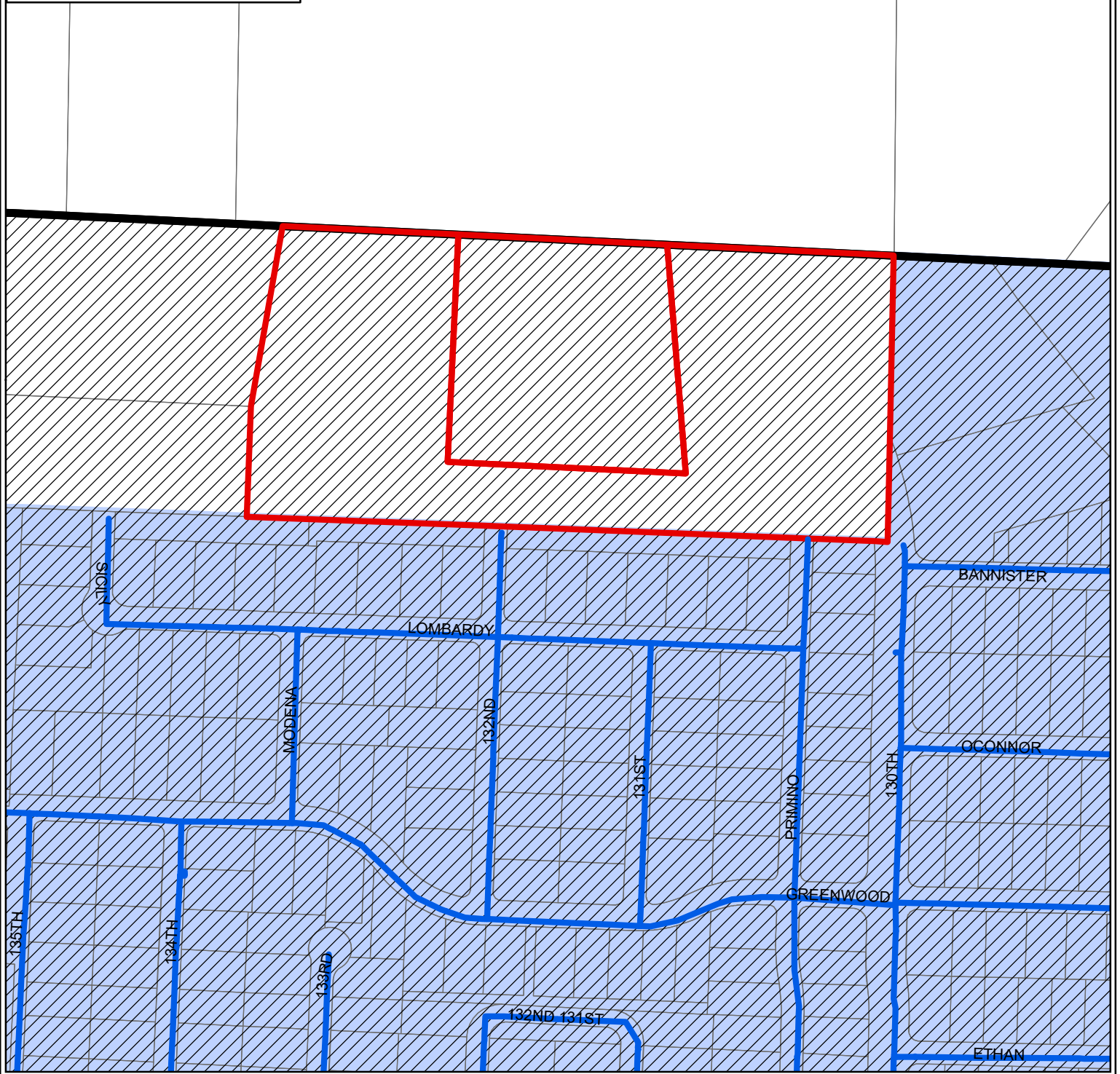
<u>Tax Lot</u>	<u>Tax Map</u>	<u>Site Address</u>	<u>Property Owner(s)</u>
100	1N1-21AB	NO SITUS	A & F MALINOWSKI MARITAL TRUST A & F MALINOWSKI FAMILY TRUST
200	1N1-21AB	13432 NW SPRINGVILLE LANE, PORTLAND, OR 97229	JON MALINOWSKI JANE MALINOWSKI

EXHIBIT C

<u>Tax Lot</u>	<u>Tax Map</u>	<u>Site Address</u>	<u>Property Owner(s)</u>
100	1N1-21AB	NO SITUS	A & F MALINOWSKI MARITAL TRUST A & F MALINOWSKI FAMILY TRUST
200	1N1-21AB	13432 NW SPRINGVILLE LANE, PORTLAND, OR 97229	JON MALINOWSKI JANE MALINOWSKI

Legend

-  Water Main
 -  Subject Property
 -  County Boundary
 -  Urban Growth Boundary
 -  TVWD District Boundary
- 0 140 280
Feet 





RESOLUTION NO. 20-23

A RESOLUTION AMENDING THE LOCAL CONTRACT REVIEW BOARD (LCRB) RULES TO ALIGN WITH OREGON REVISED STATUTES.

WHEREAS this matter comes before the Board of Commissioners acting in its capacity as the Local Contract Review Board for Tualatin Valley Water District pursuant to ORS 279A.060 and Resolution 14-84; and

WHEREAS, the Local Contract Review Board adopted Local Contract Review Board Rules (Rules by Resolution 12-12 on May 20, 2012 and has made amendments by various resolutions since; and

WHEREAS, the Oregon Legislature passed amendments to the public contracting statutes increasing the monetary thresholds in certain categories and District staff has recommended conforming amendments to the Rules as set forth below and on Exhibit A, attached hereto and incorporated by reference, and being advised

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: Divisions 100-020, 110-010, 120-010, 120-020, and 160 are amended to reflect \$25,000 as the threshold for procurement of small purchases as set forth on Exhibit A, attached hereto and incorporated by reference.
- Section 2: Division 120-010(2) is amended to reflect \$26,000 as the total contract amount for a small procurement as set forth on Exhibit A, attached hereto and incorporated by reference.
- Section 3: Divisions 100-020, 110-010, 120-010, 120-020, 120-030, 120-040, 120-050, 150, and 160 are amended to reflect \$250,000 as the threshold for procurement of intermediate purchases as set forth on Exhibit A, attached hereto and incorporated by reference.

Approved and adopted at a regular meeting held on the 15th day of November, 2023.

Todd Sanders, President

Jim Doane, Secretary



Local Contract Review Board Rules

DIVISION 100 – INTRODUCTION AND DEFINITIONS

100-020 – Definitions

The following definitions apply to these rules, unless the context requires otherwise:

- (1) **Addenda to the Solicitation Documents:** Addenda are additions or deletions to, material changes in, or general interest explanations of the District's Solicitation Documents.

Addenda shall be labeled as such and distributed to all interested persons on the list of proposers/bidders and shall be communicated electronically or by post.
- (2) **Bid:** A competitive offer or proposal, which is binding on the responsible bidder, in which price, delivery (or project completion) and conformance with specifications and the requirements of the Invitation to Bid will be the predominant award criteria. A bid may be formal or informal.
- (3) **Bidder:** An individual, firm or corporation who submits a bid in response to the District's solicitation.
- (4) **Bidding Period:** The span of time between the date of issuance of the solicitation and closing of the solicitation, i.e., the time and date set as the deadline for submitting bids. For informal solicitations under ~~\$150,000~~\$250,000, a minimum seven (7) calendar day bidding period shall be provided, unless a shorter time period is deemed necessary in the District's interest for a particular procurement and will not substantially affect competition. For Competitive Sealed bids, not less than fourteen (14) calendar days shall be provided, unless a shorter time is deemed necessary in the District's interest for a particular procurement and will not substantially affect competition. For Requests for Proposals, not less than thirty (30) days shall be provided unless a shorter time is deemed necessary in the District's interest for a particular procurement and will not substantially affect competition.
- (5) **Board:** Means the Board of Commissioners of Tualatin Valley Water District acting as the Local Contract Review Board for the District.
- (6) **Class Special and Contract Specific Procurements:** Contracting procedures that allow for a Public Contract to be entered into using alternative procurement methods rather than through competitive bidding process.
 - (A) A "class special procurement" is for the purpose of entering into a series of contracts over time for the acquisition of a specified class of goods or services.
 - (B) A "contract specific procurement" is for the purpose of entering into a single contract or a number of related contracts for the acquisition of specified goods or services on a one- time basis or for a single project.
- (7) **Closing/Due Date:** The date and time announced in the District's solicitation (e.g., Invitation to Bid or Request for Proposals) as the deadline for submitting bids or proposals.
- (8) **Competitive Bidding:** A price-based selection process typically used for procurements above \$150,000, as provided in ORS 279B.055 and public improvement contracting above \$100,000 as provided in ORS 279C.365, that involves an advertised public notice, issuance of a written Solicitation Document inviting interested persons or firms to submit written,

Local Contract Review Board Rules

signed, and sealed bids, that are received by the District and publicly opened at the designated time and place, and a contract awarded (if one is awarded) to the lowest responsive, responsible bidder.

- (9) **Competitive Quotes:** Bids submitted to the District by competing bidders in response to a request for quotes issued by the District. The Request for Quotes may be accomplished by advertisement and/or by the District initiating a request to vendors to submit a bid. The solicitation and the bid may be in writing or submitted electronically as prescribed by these rules. Competitive quotes are required for purchases whose value is estimated between ~~\$10,000~~\$25,000 and ~~\$150,000~~\$250,000 per ORS 279B.070 and between ~~\$10,000~~\$25,000 and \$100,000 per ORS 279C.335 (c) (d).
- (10) **Construction Manager/General Contractor (CMGC):** A method of Public Improvement Contracting utilizing a construction manager to perform value engineering, act as general contractor, coordinate and manage the building process, provide general contractor expertise, establish a guaranteed maximum price for construction and be a member of the construction team with the District, architect/engineers and other consultants as the District and/or the project may require.
- (11) **Contract:** The written agreement, including the District's scope of work or specifications and the accepted portions of a bid or proposal, between the District and the contractor describing the work to be done and the obligations of the parties. Depending upon the goods and services being procured, the District may use "Contract" as meaning a purchase order, price agreement, or other contract document in addition to the District's Solicitation Document and the accepted portions of a bid or proposal. If the contract is for a public improvement, the contract may consist of the District's Solicitation Document, including any addenda, the general and special conditions governing the work, the accepted portions of the bid or proposal, the performance and payment bond (if required), plans, technical specifications, approved shop drawings, and any contract amendments, including approved change orders.
- (12) **Contractor:** The individual, firm or corporation awarded the Public Contract to furnish the District the goods, services or work procured in the District's solicitation.
- (13) **Cost:** This term includes not only the product price but also other items of expense such as the actual or reasonably estimated costs related to quality or life cycle, and may include such actual or estimated items as shipping, delivery, setup, installation and training.
- (14) **Contract Price:** The total of the awarded bid or proposal amount, including any approved alternates, and any fully executed change orders or amendments.
- (15) **Days:** Calendar days, including weekdays, weekends and holidays, unless otherwise specified.
- (16) **Design/Build:** Means a method of Public Contracting where the responsibility for project team participation with the District, project design, value engineering, management of the design and construction process, general contractor expertise, a guaranteed maximum price and construction is vested in a single entity, through one contract with the District.
- (17) **Descriptive Literature:** Materials submitted by bidders or proposers to provide information concerning the products available in response to the District's solicitation.
- (18) **Disabled Individuals:** An individual who, because of the nature of the individual's disabilities, is not able to participate fully in competitive employment and for whom specialized

Local Contract Review Board Rules

employment opportunities must be provided.

- (19) **District:** Tualatin Valley Water District or TVWD.
- (20) **District Staff:** All employees and agents of Tualatin Valley Water District.
- (21) **Electronic:** Submission of data, on Invitations to Bid, Requests for Proposals, Requests for Qualifications, Bids, Proposals and Statements of Qualifications that are transmitted electronically, via e-mail or facsimile as permitted by the District and these Rules.
- (22) **Emergency Procurement:** A procurement made directly with a supplier, contractor or consultant without competitive bidding due to circumstances that could not have been reasonably foreseen and that require the prompt purchase of goods or services in order to avoid a substantial risk of loss, damage, interruption of service or a substantial threat to property, public health, welfare or safety.
- (23) **Guaranteed Maximum Price:** Means the price provided to the District by the contractor that includes all costs of the work, as defined in the contract documents, excepting material changes in the scope of work. This pricing mechanism is most often used in Construction Manager/General Contractor or Design/Build contracts where the guaranteed maximum price is provided early in the design to assist the District in determining whether or not the project scope is within the District's budget, allowing for design changes to be made at the preliminary design phase rather than after significant design work has been completed.
- (24) **Foreign Contractor:** One who is not domiciled in or registered to do business in the State of Oregon and considered a non-resident bidder in accordance with ORS 279A.120.
- (25) **Formal Bid, Competitive Sealed Bid, Competitive Sealed Proposal:** Where the procurement for goods and services is anticipated to be more than ~~\$150,000~~\$250,000 the bid, proposal or quote shall be in writing-and, signed as required by ORS 279B. For public improvement contracts governed by ORS 279C where the estimated value is more than \$100,000, the bid, proposal or quote shall be in writing and signed as provided in ORS 279C.
- (26) **Informal Bid, Proposal or Quote, Invitation to Bid:** When the price of the procurement is anticipated to be between ~~\$10,000~~\$25,000 and ~~\$150,000~~\$250,000 the PCO may use, written or electronic solicitation methods as appropriate in order to provide a fair opportunity to potential bidders or proposers. Informal bids shall be solicited in such a fashion and in such form that the bidder is bound to his/her proposal or bid as required by ORS 279B. For public improvement contracts less than \$100,000, informal bids, proposals or quotes may be used as determined by the PCO as provided herein.
- (27) **Invitation to Competitive Sealed Bid (formal) (over ~~\$150,000~~\$250,000):** A solicitation of for competitive, written, signed and sealed bids in which specification, price and delivery (or project completion) are the predominant award criteria. Informal bids (under ~~\$150,000~~\$250,000) shall be solicited in a competitive fashion and in such form that the bidder is bound to his/her proposal if accepted. Solicitation Documents may be issued via paper or in electronic form.
- (28) **Minority, Women, Service-Disabled Veteran and Emerging Small Business Enterprise.** An enterprise or business that is certified by the State of Oregon's Certification Office for

Local Contract Review Board Rules

Business Inclusion and Diversity in the Oregon Business Development Department as a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns, and/or an emerging small business.

- (29) **Nonresident Bidder:** A bidder who does not have an Oregon business address and for which no unemployment or income taxes have been paid to the State of Oregon during the 12 months preceding the submission of their bid, does not have a business address in Oregon and has stated that bidder is not a resident bidder in the bid.
- (30) **Notice:** Notice of a formal solicitation shall be in accordance with ORS 279. In addition, the Board has authorized notice to be published on the District's website as allowed by ORS 279.
- (31) **Opening:** The date, time and place announced in the District's solicitation for the public opening of written, sealed bids or proposals.
- (32) **Personal Property:** Everything subject to ownership that is not real property, mobile homes or tax foreclosed property and has exchangeable value.
- (33) **Personal Service Contracts:** The type of contracts defined in 110-130 and 300-010. Services that are performed by an independent contractor in a professional capacity such as legal services, medical or therapeutic services, occupational health and safety consultant, information technology consultants and other professional consultants, consultants with expertise in financial, occupational, architectural, engineering, photogrammetric mapping, transportation planning or land surveying services. Personal services also include artistic services or services of a specialized, creative and research oriented nature, or educational training. The determination to use this exemption shall be made by the PCO or his designee.
- (34) **Price Agreement:** A Public Contract awarded through the competitive process for the procurement of goods or services at an agreed upon price with:
 - (A) No guarantee of a minimum purchase, and,
An initial order combined with a continuing obligation upon the awarded bidder to provide the goods and/or services for a specified contract term.
- (35) **Prequalification of Bidder, Proposer or Supplier:** A process followed by the District, in advance of issuance of Solicitation Documents, to determine the qualifications of prospective bidders, proposers or suppliers to perform Public Contracts.
- (36) **Proposal:** A competitive offer, binding on the proposer and submitted in response to a Request for Proposals, where proposal evaluation and contract award is based on criteria such as proposer qualifications and experience, product features and characteristics, service quality and efficiency, and conformance with the specifications and requirements of the solicitation. Price may be an evaluation criterion for proposals but will not necessarily be the predominant basis for contract award.
- (37) **Proposal Period:** The span of time between the date of issuance of the Request for Proposals and closing, i.e., the time and date set as the deadline for submitting proposals.
- (38) **Proposer:** A responsible person who submits a proposal in response to the District's Request for Proposals.
- (39) **Public Agency or Public Entity:** Any agency of the State of Oregon or any political subdivision thereof authorized by law to enter into Public Contracts.

Local Contract Review Board Rules

- (40) **Public Bid Opening:** For all procurements above ~~\$150,000~~\$250,000, sealed bids must be submitted, but not opened until the date and time due for public bid opening. The PCO or his designee may accept electronically submitted proposals until the advertised date and time and then may distribute the electronic proposals to the evaluation team after said date and time.
- (41) **Public Contracting Officer (PCO):** The Chief Executive Officer of the District or his designee.
- (42) **Public Improvement:** Any construction of improvements on real property by or for a public agency. "Public improvement" does not include emergency work, minor alteration, ordinary repair or maintenance necessary in order to preserve a public improvement, or projects where no public funds are directly or indirectly used, except for participation that is incidental or related primarily to project design or inspection. Contracts for Public Procurements shall be issued according to Division 400 of these Rules.
- (43) **QRF:** Qualified Rehabilitative Facility (QRF) is a nonprofit corporation operating to provide individual with disabilities (as defined by ORS 279.835), with services, and enables them to maximize their opportunities for employment. The State of Oregon requires public agencies to employ individuals hired by QRFs for particular services or purchase goods offered by QRFs.
- (44) **Resident Bidder:** A bidder with an Oregon business address and for which unemployment or income taxes have been paid to the State of Oregon during the 12 months preceding the submission of their bid, has a business address in Oregon and has stated that bidder is a "resident bidder" in the bid.
- (45) **Responsive and Responsible Bidder:** A bidder who has substantially complied with the material requirements of the bidding process as required by the solicitation or bidding instructions as outlined in ORS 279B.110 and has met the standards of responsibility as outlined in ORS 279B.110.
- (46) **Request for Proposal:** The formal solicitation of written, competitive proposals, or bids, to be used as a basis for making an acquisition or entering into a contract when specification and price will not necessarily be the predominant award criteria. Informal proposals shall be solicited in a competitive fashion and in such form that the proposer is bound to his/her proposal if accepted.
- (47) **Requirements Contract:** An agreement in which the vendor agrees to supply some or all of the purchaser's requirements that arise for an item or items within a specified time period.
- (48) **Rules:** Rules of the Local Contract Review Board, Tualatin Valley Water District, Washington County, Oregon, and may be amended from time to time.
- (49) **Solicitation:** An Invitation to Bid, Request for Proposals, or Request for Statements of Qualifications, and includes all documents, whether attached or incorporated by reference, utilized for soliciting bids, proposals or Statements of Qualifications.
- (50) **Specification/Scope of Work:** Any description of the physical or functional characteristics, or of the nature of a supply, service or construction item. Specifications may include a description of any requirement for inspecting, testing, or preparing a supply, service, or construction item for delivery and the quantities or qualities of materials to be furnished under the contract. Specifications/Scopes of Work generally will state the result to be obtained and may, on occasion, describe the method and manner of doing the work to be

Local Contract Review Board Rules

performed. Specifications/Scopes of Work may be incorporated by reference and/or through attachment to the contract.

- (51) **Telecommunication Services:** Includes the lease, rental or purchase of the network transmission facilities, services, products, or central office services needed to communicate voice, data, text, images or video over a distance using electrical, electronic, satellite or light wave transmission media. It may or may not include acquisition or telephone network switching, PABX/PBX, customer premise station equipment, or purchase of customer premise wire or cable.
- (52) **Written:** Refers to documents that are produced on paper or in electronic form.

DIVISION 110 – STATUTORY PUBLIC CONTRACT BIDDING EXCEPTIONS AND EXEMPTIONS

110-010 – Statutory Public Contract Bidding Exceptions and Exemptions

All Public Contracts shall be based upon competitive bids or proposals except:

- (1) Contracts made with other public agencies or the federal government
- (2) Contracts made with qualified non-profit agencies providing employment opportunities for disabled individuals (QRFs).
- (3) Emergency procurements
- (4) Sole-source procurements
- (5) Small procurements (under ~~\$10,000~~\$25,000)
- (6) Class-special procurements
- (7) Contract specific procurements
- (8) Grants
- (9) Professional expert or witness consulting
- (10) Acquisition or disposal of real property
- (11) Sole source expenditures where rates are set by law or ordinance for purposes of source selection
- (12) Energy Savings Performance Contracts (exempt under ORS 279C.335)
- (13) Contracts or other documents entered into, issued or established in connection with:
 - (A) The incurring of debt by a public body, including but not limited to the issuance of bonds, certificates of participation, and other debt repayment obligations, and any associated contracts, agreements or other documents, regardless of whether the obligations that the contracts, agreements or other documents establish are general, special or limited.
 - (B) The making of program loans and similar extensions or advances of funds, aid or assistance by a public body to a public or private body for the purpose of carrying out, promoting or sustaining activities of programs authorized by law.
 - (C) The investment of funds by a public body as authorized by law, and other financial transactions of a public body that by their character cannot practically be established under the competitive contractor selection procedures of ORS 279.
- (14) Contracts for employee benefit plans.

Local Contract Review Board Rules

- (15) Any other public contracting of a public body specifically exempted from the code by another provision of law.
- (16) **Affirmative Action Contracts**
Public Contracts may be let without competitive bidding and regardless of dollar value if the letting of the contract is pursuant to a specific affirmative action plan separately adopted by the District. Affirmative Action is a program designed to eliminate the effects of past and present discrimination, intended or unintended, and to ensure equal opportunity in employment and business for persons otherwise disadvantaged by reason of race, religion, national origin, age, gender, marital status, or physical or mental disabilities, including, but not limited to, personnel practices of contractors, "set-aside" programs and minority business enterprises. Nothing herein shall constitute a specific affirmative action plan.

DIVISION 120 – PROCUREMENT CLASSIFICATIONS

120-010 – Classes of Procurements

- (1) **Special Procurements**
 - (A) Special procurements cover two procedures where competitive bidding is not required: "Class-Special Procurements" and "Contract-Specific Procurements".
 - i) Class-Special Procurements consist of entering into a series of contracts over time for the acquisition of a specified class of goods or services.
 - ii) Contract-Specific Procurements consist of entering into a single contract or a number of related contracts for the acquisition of specified goods or services on a one-time basis or for a single project.
 - (B) To seek approval of a Special Procurement, a written request must be submitted to the Board that describes the proposed contracting procedure, the goods or services to be acquired, and the circumstances that justify the use of a special procurement whereby:
 - i) The special procurement is unlikely to encourage favoritism in the awarding of a Public Contract or substantially diminishes competition for Public Contracts, and
 - ii) Results in substantial cost savings to the District or to the public, or
 - iii) Substantially promotes the public interest in a manner that could not be realized through competitive bidding methods.
 - (C) When the Board approves a Class-Special Procurement, the District may award contracts to acquire goods or services within that class without making a subsequent request to the Board.
 - (D) Examples of Board approved Class-Special Procurements (formerly Exemptions) are:
 - i) Equipment repair and overhaul under \$75,000.
 - ii) Contracts for price regulated items.
 - iii) Laboratory and medical supplies.
 - iv) Documents, goods and services protected by intellectual property law, including but not limited to computer software, computer software maintenance, copyrighted materials and periodicals.

Local Contract Review Board Rules

- v) Purchases of used personal property under \$75,000.
- vi) Advertising contracts.
- vii) Investment contracts - The District invests public funds pursuant to the Investment Policy Guidelines reviewed and adopted by the Board of Commissioners in January of each calendar year.
- viii) Telecommunication systems and service contracts.
- ix) Personal Service Contracts where the value is estimated to be under ~~\$150,000~~\$250,000, and where services are performed by an independent contractor in a professional capacity such as legal services, medical or therapeutic services, occupational health and safety consultant, information technology consultants and other professional consultants, consultants with expertise in financial, occupational, architectural, engineering, photogrammetric mapping, transportation planning or land surveying services. Personal services also include artistic services or services of a specialized, creative and research oriented nature, or educational training. The determination to use this exemption shall be made by the PCO or his designee.
- x) District General Counsel.
- xi) A Public Improvement Project where:
 - a) A private contractor working for another public agency or on a private development project and is required to make improvements, which impact the District's water system.

This may include alterations to the District's system that would not otherwise occur at that time but for this project. In these cases, the schedule does not permit time to put the project out to bid and the District cannot provide the work force to complete the work. For example, the site may involve new construction where another government entity would not allow street cuts for the next five years once the paving is complete, or the addition of a District contractor would impair the public agency or private entity's ability to complete the job; or
 - b) It is more economical and efficient to perform the District's portion of the work by inclusion of the public agency's or private entity's contractor.
- xii) Maintenance, repair and operations goods and services needed during the course of the day and purchased against annual purchase orders.
- xiii) The term length of Willamette Water Supply Program ("WWSP") contracts for professional and personal service contracts may extend beyond the five year term limitation outlined in these Rules to 2026 or other such date required to complete the WWSP.
- xiv) Municipal Advisory Services, including debt management, debt issuance and financial advisory services.

Local Contract Review Board Rules

- xv) Insurance Agent of Record
- xvi) Government Affairs, Public Policy, and Communications

(2) **Small Procurements** [ORS 279B.065 and ORS 279C.335(c)]

When the amount of the contract does not exceed ~~\$10,000~~\$25,000, the District may obtain written, electronic or competitive quotes or may select a vendor/contractor through direct appointment. Amendments over the ~~\$10,000~~\$25,000 amount shall not exceed an additional \$1,000 for a total of

~~\$11,000~~\$26,000, unless the Amendment is approved by a department manager. This amendment limit does not apply to price agreements as they are term agreements and not individual purchases.

A procurement may not be artificially divided or fragmented so as so constitute a Small Procurement to avoid application of these Rules or ORS 279B.

(3) **Intermediate Procurements (ORS 279B.070)**

When the amount of the contract is more than ~~\$10,000~~\$25,000 but less than ~~\$150,000~~\$250,000, the District will use good faith efforts to obtain three informally solicited, competitive quotes electronically or on paper. For procurements exceeding \$25,000 and not involving a purchase for vehicle fuel, a written solicitation shall be issued according to these Rules. The District shall keep a written record of the source and amount of the quotes received. If three (3) quotes are not available; a lesser number will suffice provided that a written record is made of the effort to obtain the quotes.

Cumulative amendments for intermediate procurements shall not exceed twenty-five percent (25%) of the original contract price, unless approved by the department manager and submitted to the Purchasing Agent/Inventory Controller for amendment of the Purchase Order or Contract. This amendment limit does not apply to price agreements as they are term agreements and not individual purchases.

A procurement may not be artificially fragmented to avoid application of these Rules or ORS 279B.

(4) **Emergency Procurements**

The PCO or his designee may make or authorize others to make Emergency Procurements for goods or services in an emergency. The District shall document the nature of the emergency and describe the method used for the selection of the particular contractor within 2-5 days following the emergency incident. The emergency documentation shall be kept on file with the contract, purchase order, or invoice covering the costs of the emergency.

(5) **Sole Source Procurements**

The District may award a contract for goods or services without competition where the PCO determines in writing that the goods or services, or class of goods or services, are available from only one source.

(A) The sole source determination must be based on written findings that may include:

- i) That the efficient utilization of existing goods requires the acquisition of compatible goods or services;
- ii) That the goods or services required for the exchange of software or data with other public or private agencies are available from only one source;

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- iii) That the goods or services are for use in a pilot or experimental project; or
 - iv) Other finding that supports the conclusion that the goods or services are available from only one source.
- (B) Where practicable, the District shall negotiate with the sole source to obtain contract terms advantageous to the District.

120-020 – Intermediate Procurements (Informal) - Requests for Proposals (RFP) and Invitations to Bid (ITB) Under ~~\$150,000~~\$250,000

The District may, at its discretion, use RFP or ITB competitive procurement methods for intermediate procurements greater than ~~\$10,000~~\$25,000 and less than ~~\$150,000~~\$250,000 subject to the following conditions:

- (1) Minimum contractual requirements are stated clearly in the Solicitation Document.
- (2) For purchases above \$25,000 and not involving the purchase of fuel: Solicitation documents shall be provided to all bidders and shall include an Invitation to Bid or Request for Proposal letter, a scope of work or specification, an example of the purchase order or contract and the Bidder/Proposer Certifications and Representations form.
- (3) Evaluation criteria to be applied in awarding the contract and the role of an evaluation committee are stated clearly in the RFP Solicitation Document. Criteria used to identify the proposal that best meets the District's needs may include but are not limited to cost, quality, service, compatibility, product reliability, operating efficiency expansion potential and proposer capability.
- (4) The Solicitation Document clearly states all complaint processes and remedies available.

120-030 – Competitive Sealed Bidding (ORS 279B.055), Required for Purchases Above ~~\$150,000~~\$250,000

The District may solicit and award a Public Contract for goods, or goods and services, or may award multiple Public Contracts for goods or services when specified in the Invitation to Bid, by competitive sealed bidding.

- (1) The Invitation to Bid must include:
 - (A) Time and date bids are due and the place at which the bids must be submitted. At the sole discretion of the District, bids may be submitted and received electronically.
 - (B) The name and title of the person designated for the receipt of bids and the person designated by the District as the contact person for the procurement, if different.
 - (C) A procurement description.
 - (D) The time, date and place that prequalification applications, if any, must be filed and the classes of work, if any, for which bidders must be prequalified in accordance with ORS 279B.120.
 - (E) A statement that the District may cancel the procurement or reject any or all bids in accordance with ORS 279B.100.
 - (F) A statement that requires the contractor or subcontractor to possess an asbestos abatement license, if required under ORS 468A.710.
 - (G) All contractual terms and conditions to the procurement.
 - (H) Notice of any pre-bid conference with time, date and location, and whether

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attendance is mandatory.

- (I) A provision that provides that statements made by the District's representatives at the time of the conference are not binding upon the District unless confirmed by written addendum. The form and instructions for submission of bids and any other special information.
 - (J) A statement that each bidder must identify whether they are a resident bidder as defined by ORS 279A.120 (1).
 - (K) Contractor's certification of non-discrimination in obtaining required subcontractors in accordance with ORS 279A.110 (4).
 - (L) How the District will notify bidders of addenda and how the District will make addenda available.
- (2) The District may require bid security if it determines that bid security is reasonably necessary or prudent in protecting the interests of the District. All bid security will be returned to the bidders upon execution of the contract.
- The District shall retain the bid security if a bidder who is awarded the contract fails to execute the contract promptly and properly. For purposes of this paragraph, prompt and proper execution of the contract includes all action by a bidder that is necessary to the formation of a contract in accordance with the Invitation to Bid, including the posting of performance security and the submission of proof of insurance as required by the Invitation to Bid.
- (3) The District shall give public notice of an Invitation to Bid under this section. Public notice is intended to foster competition among prospective bidders. The District shall make the Invitation to Bid available to prospective bidders. Public notice must be published at least once in one newspaper of general circulation. In addition to these modes of publication, the District may use any other medium reasonably calculated to reach prospective bidders or proposers.
- (4) The District shall open bids publicly at the time, date and place designated in the Invitation to Bid. When authorized by, and in accordance with, rules adopted under ORS 279A.065, bids may be submitted, received and opened through electronic means.
- The amount of a bid, the name of the bidder and other relevant information as may be specified by rule adopted under ORS 279A.065 shall be recorded by the District. The record shall be open to public inspection.
- Notwithstanding any requirement to make bids open to public inspection after the District's issuance of Notice of Intent to Award a Contract, the District may withhold from disclosure to the public, any trade secrets as defined in ORS 192.345 and information submitted to a public body in confidence as described in ORS 192.355, that are contained in the bid.
- (5) The District shall evaluate all bids that are received before the time and date indicated for bid opening in the Invitation to Bid. The District shall evaluate the bids based on the requirements set forth in the Invitation to Bid. The requirements may include, in addition to the information described above:
- (A) Criteria to determine minimum acceptability, such as inspection, testing, quality and suitability for intended use.

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- (B) Criteria that affect the bid price include, but are not limited to: discounts, transportation costs, total cost of ownership or operation of a product over its life. The Invitation to Bid shall set forth the evaluation criteria to be used along with any characteristics from a qualified products list, where applicable. Criteria not listed in the Invitation to Bid or a qualified products list shall not be applied during bid evaluation.
- (6) No bids received after the time and date indicated on the Invitation to Bid shall be considered and shall not be accepted.
- (7) The District shall for the purpose of evaluating bids, apply any applicable preferences described in ORS 279A.120, 279A.125, ORS 282.210, and ORS 279A.128.
 - (A) 279A.120 covers preference for Oregon goods and services and non-resident bidders.
 - (B) ORS 279A.125 covers preference for goods manufactured with recycled products
 - (C) ORS 282.210 requires printing services, binding and stationery work to be performed within the State of Oregon.
 - (D) Per ORS 279A.128, the District may give a preference to a bidder or proposer for goods fabricated or processed or services that are performed entirely within the state of Oregon if the cost of those goods or services does not exceed more than ten percent (10%) of goods or services fabricated, processed or performed outside the state of Oregon. If more than one bidder or proposer qualifies for this preference, a further preference may be given to a qualifying bidder or proposer that resides in or is headquartered in this state. If the District wishes to use this preference, the preference must be included as part of the evaluation criteria listed in the solicitation.
- (8) All decisions to permit the correction or withdrawal of bids or to cancel an award or a contract based upon bid mistakes shall be supported by a written determination by the District covering the reasons for the actions taken.
- (9) Cancellation of invitations to bid, rejection of bids or delay of award may be issued when the cancellation, rejection or delay is in the best interest of the District or the public. The reasons for the rejection, cancellation or delay must be made part of the procurement file. The District is not liable for any costs or expenses to proposers or bidders caused by or resulting from the cancellation or rejections.
- (10) A Notice of Intent to Award shall be sent or transmitted to each bidder seven (7) days prior to award and the District may post the Notice of Intent to Award electronically or otherwise.
- (11) If a contract is awarded, the District shall award the contract to the lowest responsible bidder whose bid substantially complies with the requirements and criteria set forth in the Invitation to Bid and with all prescribed public procurement procedures and requirements; or, when the Invitation to Bid specifies or authorizes the award of multiple contracts to responsible bidders; those bids must substantially comply with the requirements and criteria set forth in the Invitation to Bid and with all prescribed public procurement procedures and requirements and who qualify for award under the terms of the Invitation to Bid.
- (12) The successful bidder shall promptly execute a contract, which includes all action

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necessary to implement the formation of a contract in accordance with the Invitation to Bid, including any performance security and proof of insurance required by the ITB.

- (13) The District may issue a request for information (RFI), a request for interest or other preliminary documents to obtain information useful in the preparation of an Invitation to Bid.

120-040 – Multi-Step Solicitations for Procurements above ~~\$150,000~~\$250,000

When the District considers it impractical to prepare a procurement description to support an award based on price, the District may issue a multi-step solicitations for goods/and or services requesting the submission of un-priced submittals, and later issue a Request for Proposals limited to the bidders whom the District has determined to be eligible to submit a priced offer under the evaluation criteria set forth in the initial solicitation.

- (1) Phased Process: Multi-step solicitations are a phased process where proposers are pre-qualified in Request for Qualifications or providing information for products or services to be prequalified. The District's evaluation team selects the most highly qualified consultants or products and the selected proposers/bidders are invited to provide a priced proposal. A Contract/Purchase Order is then awarded to the lowest responsive and responsible proposer.

NOTE: This process does not apply to On-Call Consultant Services Contracts where Requests for Qualifications are used and then selection is made for the purpose of selecting several qualified consultants/contractors to provide on-call services as needed for intermediate level procurements. See Division 300 for Rules on Selection of Architectural, Engineering and Related Services Solicitations and Contracts.

- (2) Public Notice: Whenever multi-step solicitations are used, public notice for the first phase shall be given. Public notice is not required for the subsequent phases.
- (3) Procedures in multi-step bidding, generally:
 - (A) Solicitation Protest: Prior to the closing of Phase 1, the District shall provide an opportunity to protest the solicitation under ORS 279B.405.
 - (B) Exclusion Protest: The District shall provide an opportunity for a bidder to protest exclusion from the second round of multi-step sealed solicitations pursuant to ORS 279B.410.
 - (C) Award Protest: The District shall provide an opportunity for bidders/proposers selected for the second round of the multi-step solicitations to protest its intent to award a contract pursuant to ORS 279B.410.
- (4) Form: Multi-step solicitations shall be initiated by the issuance of RFP in the form and manner required for requests for competitive sealed proposals as specified in these Rules.

120-050 – Competitive Sealed Proposals - Procurements Above ~~\$150,000~~\$250,000 (ORS 279B.060)

- (1) The District may solicit and award a Public Contract for goods or services, or may award multiple Public Contracts for goods or services when specified in the solicitation via Request for Proposal (RFP)

The RFPs must include:

- (A) The Time and Date by which sealed proposals must be received, and

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- (B) A place at which the proposals must be submitted, and
 - (C) Whether the proposals can be submitted electronically, and
 - (D) The name and title of the person designated for receipt of proposals, and
 - (E) The person designated by the District as the contact person for the procurement, if different, and
 - (F) A procurement description, and
 - (G) A time, date and place that prequalification applications, if any, must be filed and the classes of work, if any, for which the proposers must be prequalified, in accordance with ORS 279B.120, and
 - (H) A statement that the District may cancel the procurement or reject any or all proposals in accordance with ORS 279B.100, and
 - (I) A statement that requires the contractor or subcontractor to possess an asbestos abatement license, if required, under ORS 468A.710, and
 - (J) Provide the evaluation criteria, including how criteria are weighted, a discussion of the evaluation or selection process and how the proposer selection award is to be made, and
 - (K) All contractual terms and conditions applicable to the procurement.
- (2) Requests for Proposals may also include:
- (A) Identification of contractual terms or conditions the District reserves in the RFP for negotiations with proposers.
 - (B) Request that proposers propose contractual terms and conditions that relate to subject matter reasonably identified in the RFP.
 - (C) Contain or incorporate the form and content of the contract that the District will accept, or suggested contract terms and conditions that nevertheless may be the subject of negotiations with proposers.
 - (D) Announce the method of contractor selection, which may include but is not limited to:
 - i) Negotiation with the highest ranked proposer.
 - ii) Competitive negotiations.
 - iii) Multiple-tiered competition designed to identify a class of proposers that fall within a competitive range or to otherwise eliminate from consideration a class of lower ranked proposers, or any combination of methods authorized by rules adopted under ORS 279A.065.
 - (E) Contain a description of the manner in which proposals will be evaluated, including the relative importance of price and any other evaluation factors used to rate the proposals in the first tier of competition. If more than one tier of competitive evaluation is used, a description of the process under which the proposals will be evaluated in the subsequent tiers.
- (3) The District may require proposal security in any form deemed prudent as supported by ORS 279B.060.
- (A) The District shall return the proposal security to all proposers upon execution of the contract, or

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(B) The District shall retain proposal security if a proposer who is awarded a contract fails to execute the contract promptly and properly. Prompt and proper execution of the contract includes all action by a proposer necessary to the formation of a contract in accordance with the RFP, including the posting of performance security and the submission of proof of insurance when required by the RFP. If contract negotiations or competitive negotiations are conducted, the failure, prior to award of the District and a proposer to reach agreement does not constitute grounds for the retention of proposal security.

(4) Public Notice of the RFP shall be given in the same manner as provided for public notice as required by ORS 279B.060.

(5) Proposals may be opened in a manner to avoid disclosure of contents to competing proposers during, when applicable, the process of negotiation, but the District shall record and make available the identity of all proposers as part of the District's public records from and after the opening of the proposals.

Proposals are not required to be open for public inspection until after the Notice of Intent to Award a contract is issued. The fact that proposals are opened at a meeting does not make their contents subject to disclosure, regardless of whether the public body opening the proposals fails to give notice of or provide for an executive session for the purpose of opening proposals.

Notwithstanding any requirement to make proposals open to public inspection after the District's issuance of Notice of Intent to Award a Contract, the District may withhold from disclosure to the public materials included in a proposal that are exempt or conditionally exempt from disclosure under the Oregon Public Records Law, ORS 192.345 and 192.355.

(6) If an RFP is canceled under ORS 279B.100 after proposals are received, the District may return the proposals to the proposer making the proposal. The District shall keep a list of returned proposals in the file for solicitation.

(7) As provided for in the RFP or in written addenda issued, the District may conduct site tours, demonstrations, individual or group discussions and other informational activities with proposers before or after the opening of the proposals for the purpose of clarification to ensure full understanding of and responsiveness to the solicitation requirements or to consider and respond to requests for modifications of the proposal requirements. The District shall use procedures designed to accord proposers fair and equal treatment with respect to any opportunity for discussion and revision of proposals.

(8) For purposes of evaluation, when provided for in the Request for Proposal, the District may employ methods of contractor selection that include but are not limited to:

(A) An award or awards based solely on the ranking of proposals.

(B) Discussions leading to best and final offers, in which the District may not disclose private discussions leading to best and final offers.

(C) Discussions leading to best and final offers, in which the District may not disclose information derived from proposals submitted by competing proposers.

(D) Serial negotiations, beginning with the highest ranked proposer.

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- (E) Competitive simultaneous negotiations.
 - (F) Multiple-tiered competition designed to identify, at each level, a class of proposers that fall within a competitive range or otherwise eliminate from consideration a class of lower ranked proposers.
 - (G) A multi-step Request for Proposals requesting the submission of un-priced technical submittals, and then later issuing a Request for Proposals limited to the proposers whose technical submittals were determined to be qualified under the criteria set forth in the RFP.
 - (H) Any combination of methods described above, as authorized or prescribed by rules adopted under ORS 270A.065.
- (9) Revisions of proposals may be permitted after the submission of proposals and before award for the purpose of obtaining best offers or best and final offers.
- (10) After the opening of proposals, the District may issue or electronically post an addendum to the Request for Proposals that modifies the criteria, rating process and procedure for any tier of competition before the start of the tier to which the addendum applies. The District shall issue or electronically post an addendum to all proposers who are eligible to compete under the addendum.
- The District shall issue or post the addendum at least five (5) days before the start of the subject tier of competition or as otherwise determined by the District to be adequate to allow eligible proposers to prepare for competition in accordance with rules adopted under ORS 279A.065.
- (11) The cancellation of RFPs and the rejection of proposals must be in accordance with ORS 279B.100.
- (12) In the RFP, the District shall describe the methods by which the District will make the results of each tier of competitive evaluation available to the proposers who competed in the tier. The District shall include a description of the manner in which the proposers who are eliminated from further competition may protest or otherwise object to the District's decision.
- (13) The District shall issue or electronically post the Notice of Intent to Award to each proposer who was evaluated in the final competitive tier.
- (14) If a contract is awarded, the District shall award the contract to the responsible proposer whose proposal the District determines in writing to be the most advantageous based upon the evaluation process and evaluation criteria described in the RFP, any applicable preferences; and, where applicable, the outcome of any negotiations authorized by the Request for Proposal. Other factors may not be used in the evaluation. When the RFP specifies or authorizes the award of multiple Public Contracts, the District shall award Public Contracts to responsible proposers who qualify for the award of a contract under the terms of the Request for Proposal.
- (15) The District may issue a request for information, a request for interest, a request for qualifications or other preliminary documents to obtain information useful in preparation of an RFP.

DIVISION 130 – COOPERATIVE PROCUREMENTS

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Joint Cooperative and Permissive Cooperative Procurements shall comply with ORS 279A.200, ORS 279A.205, ORS 279A.210, ORS 279A.215, ORS 279A.220 and ORS 279A.225.

DIVISION 140 – PURCHASES OF USED PERSONAL PROPERTY

The District may purchase used personal property for \$75,000 or less without competitive bidding or quote if the District has determined that the direct purchase without competitive bidding will result in cost savings and will not diminish competition or encourage favoritism or the item is not readily available and time is of the essence. If the purchase is in excess of \$75,000, the District will seek three competitive quotes unless the District determines that three quotes cannot be obtained or the District's purchase without quotes will result in cost savings and will not diminish competition or encourage favoritism or the item is not readily available and time is of the essence. In all cases, a written record must be made of the attempt to obtain quotes or locate the item.

DIVISION 150 - PERSONAL SERVICE CONTRACTS AND INSURANCE AGENT OF RECORD CONTRACTS

Personal Service Contracts whose value is under ~~\$150,000~~\$250,000 are exempt from going out for request for informal competitive proposals. Personal Service Contracts whose value is estimated to be greater than

~~\$150,000~~\$250,000 must use the Competitive Sealed proposal process outlined in Rule 120-050, unless the type of service in question qualifies as another exempted procurement, such as those listed in Section 120-010, Paragraph (5).

(1) The following are Personal Service Contracts:

- (A) Contracts for services performed as an independent contractor in a professional capacity, including but not limited to the services of: an accountant, attorney providing special legal services, physician or dentist, therapist, psychologist, passenger aircraft pilot, aerial photographer, timber cruiser, communication or telemetry consultant or information technology consultant, a consultant for the services listed in Division 300 of these Rules, financial consultant, occupational health and safety consultant.
- (B) Contracts for services requiring special skills, such as an artist in the performing of fine arts, including but not limited to persons identified as photographer, filmmaker, painter, weaver, or sculptor.
- (C) Contracts for services of a specialized, creative and research-oriented noncommercial nature.
- (D) Contracts for educational training or informational resource referral services.
- (E) Personal Service Contracts provided by Consultants for services listed in Division 300 of these Rules where the contract dollar value is estimated to be below \$250,000.

(2) The following examples are not Personal Service Contracts:

- (A) Contracts, even though in a professional capacity, if predominately for a product, e.g., a contract with a landscape architect to design a garden is for personal services, but a contract to design a garden and supply all the shrubs and trees is predominately for a tangible product.
- (B) A service contract to supply labor which is of a type that can generally be done by any competent worker, e.g., janitorial, security guard, crop spraying, laundry and

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landscape maintenance service contracts.

- (C) Contracts for trade-related activities considered to be labor and material contracts.
- (D) Contracts for services of a trade-related activity, even though a specific license is required to engage in the activity. Examples are repair and/or maintenance of all types of equipment or structures.

DIVISION 160 – CONTRACT AMENDMENTS FOR GOODS AND SERVICE CONTRACTS (INCLUDING CHANGE ORDERS AND EXTRA WORK)

Any Public Contract amendment for additional work or product, including change orders, extra work, field orders, or other change in the original specifications that increases the original contract dollar value may be made without competitive bidding subject to the following conditions:

- (1) The original contract was let by (i) competitive bidding or alternative procurement process; or (ii) unit prices or additive alternates were provided which established the cost for additional work; or
- (2) For small procurements under ~~\$10,000~~\$25,000; the amount of the aggregate costs resulting from all amendments shall not exceed \$1,000, unless the amendment is approved by the department manager.
- (3) For intermediate procurements from ~~\$10,000~~\$25,000 to ~~\$150,000~~\$250,000, the amount of the aggregate costs from all amendments shall not exceed 25% of the original contract value, unless the amendment is approved by the department manager.
- (4) The amendment is within the scope of the services contemplated under the RFP and that amendment will not materially impact the field of competition for the services described in the RFP.
- (5) With respect to the rules on amendments, Public Contract amendments do not include amendments to intergovernmental agreements, and contracts with other state agencies or the federal government.
- (6) Renegotiated Contracts. The District may renegotiate the terms and conditions, including the contract price and/or contract term of a contract without additional competition and amend a contract if it is advantageous to the District subject to the following conditions:
 - (A) The amended contract is within the scope of the Solicitation Document, or if there was no Solicitation, the amended contract is within the scope of the original contract, or the purchase was approved as a special procurement; and
 - (B) A determination by the District that the renegotiated contract is at least as favorable as the original contract, and
 - (C) If a contractor offers a lower price in exchange for a change in terms or conditions that was expressly rejected in the original solicitation, the amended contract may be structured with this requested changed term as an optional, but not as a mandatory contract term.



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 21-23

A RESOLUTION ESTABLISHING REGULAR MONTHLY MEETING DATES OF THE BOARD OF COMMISSIONERS FOR THE CALENDAR YEAR 2024.

WHEREAS, the Board of Commissioners annually sets its regular meeting calendar by resolution, and hereby being fully advised.

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

Section 1: The regular meetings shall be held the third Wednesday of each month at 6:00 p.m.

Section 2: Meeting dates may be changed by a motion of the Board.

Section 3: The meetings are to be held at the Tualatin Valley Water District, Administrative Office, located at 1850 SW 170th Avenue, Beaverton, Oregon 97003.

Section 4: In accordance with ORS 192.640, public notice requirements, all meetings will be advertised as required.

Approved and adopted at a regular meeting held on the 20th day of December 2023.

Todd Sanders, President

Jim Doane, Secretary





TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 22-23

A RESOLUTION APPROVING THE AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT OF REGIONAL WATER SUPPLY CONSORTIUM (2023).

WHEREAS, since the 1980s, Tualatin Valley Water District (District) has participated in regional water supply discussions with the City of Portland and other water providers in the Tri County Area regarding water supply planning, sources of supply, conservation, and related matters; and

WHEREAS, in 1997, the District and other water providers entered into the Regional Water Advisory Consortium to develop the Regional Water Supply Plan and engage in mutually beneficial efforts regarding water supply planning and delivery, and that agreement was further amended in 2004; and

WHEREAS, the parties to the 2004 agreement have determined that further amendments are necessary to allow for full and associate membership, match current and anticipated future efforts and delete references to past efforts that are no longer required, all as set forth in the Amended and Restated Intergovernmental Agreement of the Regional Water Supply Consortium (2023) (“2023 Agreement”), attached hereto and incorporated by reference; and

WHEREAS, the Board of Commissioners wish to enter into the 2023 Agreement and continue participation as a full member and being advised.

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

Section 1: The Amended and Restated Intergovernmental Agreement of the Regional Water Supply Consortium (2023) is hereby approved.

Section 2: The Board President is authorized to execute this Agreement on behalf of the District.

Approved and adopted at a regular meeting held on the 20th day of December 2023.

Todd Sanders, President

Jim Doane, Secretary



AMENDED AND RESTATED

INTERGOVERNMENTAL AGREEMENT OF

REGIONAL WATER PROVIDERS CONSORTIUM

(2023)

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REGIONAL WATER PROVIDERS CONSORTIUM

This Amended and Restated Intergovernmental Agreement of the Regional Water Providers Consortium (2023) is entered into by and among the undersigned municipalities and districts, hereinafter called "Participants," to participate in the Regional Water Providers Consortium for the Portland Metropolitan Region ("the Consortium").

RECITALS

WHEREAS, in 1989 water providers of the Portland metropolitan area began meeting in an informal group called the "Regional Providers Advisory Group" to coordinate water supply planning efforts; and

WHEREAS, in 1996 a Regional Water Supply Plan was completed; and

WHEREAS, the Regional Water Supply Plan, which contains specific recommendations for cooperation and coordination between the water providers in this region through the formation of the Regional Water Providers Consortium, was adopted by signatory water providers in their *Inter-Governmental Agreement of Regional Water Providers Consortium*; and

WHEREAS, as the regional land use agency under state law and regional charter, the Metropolitan Service District ("Metro") adopted the Regional Water Supply Plan as part of the Metro Regional Framework Plan; and

WHEREAS, in 1997 the Consortium was formed when 15 Participants entered into an intergovernmental agreement to endorse the Regional Water Supply Plan and coordinate and cooperate in its implementation, and amended that intergovernmental agreement in 2004-05 (*2004-05 IGA*); and

WHEREAS, the Participants desire to amend and restate the 2004-05 IGA to make certain updates to the Participants and their obligations, and to streamline certain procedures, while continuing to endorse the Regional Water Supply Plan; and

WHEREAS, ORS Chapter 190 authorizes units of local government to enter into written agreements with any other unit or units of local government for the performance of any or all functions and activities that any of them has authority to provide; and

WHEREAS, all the Participants of this Agreement are thus authorized to enter into an intergovernmental agreement;

NOW, THEREFORE, the Participants agree as follows:

Section 1. Definitions

For purposes of this Agreement, the following terms shall be defined as follows:

"Agreement" – Shall mean this document and any authorized amendments thereto.

"Associate Member" – Shall mean a Participant that does not have an appointed representative to the Board and that pays reduced dues as determined by the Board.

"Board" – Shall mean the Board of Directors established by Section 9 of this Agreement, consisting of one member from the governing body of each Full Member Participant.

"Bylaws" – Shall mean the regulations of the Consortium adopted by the Board pursuant to Section 9.B. of this Agreement.

"Consortium" – Shall collectively mean all Participants to this Agreement acting pursuant to and under the terms of the Agreement.

"Consortium Funds" – Shall mean Consortium funds consisting of all dues, voluntary contributions, grant monies, and funding from any other source provided to the Consortium to conduct the activities and business of the Consortium.

"Executive Committee" – Shall mean the committee established by Section 10 of this Agreement.

"Full Member" – Shall mean a Participant that has an appointed representative to the Board and Technical Committee and that pays full dues as outlined in Section 7.

"Participant" – Shall mean any signatory to the Agreement.

"Plan" – Shall mean the 1996 "Regional Water Supply Plan" for the Portland Metropolitan Area, and all subsequent amendments thereto.

"Region" – Shall mean the area within which Participants provide services to Retail Customer Accounts.

"Retail Customer Accounts" – Shall mean all retail accounts that are billed by a Participant (including residential single family, residential multifamily, commercial, industrial, and wholesale accounts).

"Technical Committee" – Shall mean the committee established by Section 11 of this Agreement.

"Total average daily water use" – Shall mean all billed water usage for Retail Customer Accounts.

Section 2. Purposes

The general purposes of the Consortium are as follows:

- A. To provide leadership in the planning, management, stewardship, and resiliency of drinking water in the Region;
- B. To foster coordination in the Region by sharing knowledge, technical expertise, and resources between Participants;
- C. To serve as the central custodian for Consortium documents, data, and studies;
- D. To review and recommend revisions to the Plan, as appropriate;
- E. To provide a forum for the study and discussion of water supply issues of mutual interest to Participants;
- F. To promote fiscal responsibility by pooling resources to achieve economies of scale;
- G. To allow for public participation in Consortium activities;
- H. To promote stewardship, emergency preparedness, and water conservation in the Region through outreach and education;
- I. To strengthen emergency preparedness and resiliency among water providers in the Region;
- J. To ensure safe and reliable drinking water is accessible to all.

Section 3. Strategic Plan

- A. The Consortium will maintain a strategic plan to guide its work, establish priorities, and set goals for the strategic planning timeline.
- B. The strategic plan will be updated at an interval set by the Board.

Section 4. Cooperation and Participants' Retained Powers

The Participants intend that the Consortium shall act through the processes laid out herein in the spirit of cooperation. Unless specifically provided for herein, by entering into this Agreement, no Participant has assigned or granted to any other or to the Consortium its water rights or the power to plan, construct, and operate its water system or perform any other obligation or duty assigned to it under law.

Section 5. Consortium Authority

In accomplishing its purposes, and utilizing the organizational structure and decision-making processes contained herein, the Consortium is authorized to:

- A. Adopt or revise Bylaws and other operating procedures consistent with the terms of this Agreement to govern Consortium operation and administration, including such things as meeting arrangements, voting procedures, election of officers of Consortium boards and committees, notice procedures, procedures for execution of binding legal documents, budgeting, and financial operations.
- B. Adopt or revise, and implement an annual work plan and budget and issue annual reports and such supplementary reports as the Consortium may determine appropriate;
- C. Update and adopt its strategic plan as set forth in Section 3.
- D. Collect regular dues from Participants to support the routine business of the Consortium in amounts established as established in Section 7;
- E. Accept voluntary contributions from Participants in amounts higher than the regular dues for the purpose of conducting studies or engaging in other activities consistent with Consortium purposes;
- F. Apply for and receive grants and accept other funds from any person or entity to carry on Consortium activities;
- G. Expend Consortium funds, however obtained, and establish accounts and accounting processes to manage Consortium funds, which may include utilizing the accounts and processes of Participants for such purposes under appropriate agreements;
- H. Execute public procurement contracts and enter into arrangements whereby Participants may enter into a public procurement contract on behalf of the Consortium;
- I. Execute intergovernmental agreements;
- J. Establish procedures or recommendations for the hiring, dismissal, and review of Managing Director, and to delegate such activities to a Participant;
- K. Accept assignment of staff from individual Participants to conduct Consortium work and to reimburse the Participants for the salary and other costs associated with the assigned staff;
- L. Establish procedures and criteria whereby other governmental entities may become a Participant in this Agreement;

- M. Establish a process to coordinate Participant response to water policy issues of mutual interest or concern;
- N. Establish procedures to solicit the views of the public on water supply and water resource issues within the purview of the Consortium;
- O. Establish a process whereby water policy and water supply disputes or disagreements among Participants may be resolved;
- P. Protect Consortium rights and enforce obligations owed to the Consortium by third parties to the extent permitted by law;
- Q. Take other action within the powers specifically granted to the Consortium herein by the Participants to exercise the authority granted in this Section 5 and to carry out the purposes stated in Section 2.

Section 6. Participants

- A. Participant Memberships: A Participant may join as a Full Members or Associate Member in accordance with the definitions set forth in Section 1 and as further provided in the Bylaws.
- B. Any Participant which, having once joined, withdraws or is expelled from the Consortium for non-payment of dues, may only re-join as provided in Section 7.F.
- C. Additional Participants: The Board may accept additional governmental entities as Participants into the Consortium under terms and financial arrangements that the Board determines just and appropriate. The Board may establish standards for membership in the Bylaws or may allow Participants to join on a case-by-case basis. Provided, however, that in all cases, no new Participant may join the Consortium without the affirmative vote of a majority of the Board.
- D. Withdrawal: Any Participant may withdraw from the Consortium at any time by giving written notice to the Chair of the Consortium Board. Consortium dues already paid shall not be refunded to the withdrawing Participant. Unless otherwise approved by the Board, a withdrawing Participant shall have no ownership or interest in a Consortium asset after the date of withdrawal. Any Participant intending to withdraw from the Consortium shall make its best efforts to advise the Board Chair of that fact prior to February 1 and the approval of the Consortium budget for next fiscal year. Participants acknowledge that failure to notify the Consortium in accordance with these procedures may cause financial harm to the Consortium.

Section 7. Dues

- A. Each Participant shall pay annual dues no later than September 1 of each year sufficient to fund the approved annual budget of the Consortium, as established by the Board, provided, however, that the Board may establish a different payment amount and/or schedule for a Participant upon request from that Participant or upon the Board's own motion.

- B. The dues of each Participant shall be determined annually as follows:
 - 1. Total annual dues for all Participants shall be set to equal the annual budget for the Consortium, not counting budget items to be funded by fewer than all the Participants as provided in Section 8.C.

 - 2. Any grants or non-dues monies obtained by the Consortium may be applied towards the annual budget, thereby reducing the annual dues assessments commensurately.

 - 3. The Board shall establish the dues obligation of Associate Members at the time it approves an entity's membership and which amount is subject to any changes set forth in the Bylaws.

 - 4. The total annual dues of an Associate Member shall be subtracted from the total annual dues-based budget, described in subsection 7.B.1. leaving a budget number to be funded by Full Member dues. Dues shall be set so that the dues of each Full Member reflect its proportional share of that sum based on the following formula:
 - (a) 50% of the dues shall be allocated proportionally based on the Participant's proportional share of the total number of all Participants' Retail Customer Accounts for the prior year;

 - (b) 50% of the dues shall be allocated proportionally based on the Participant's proportional share of total average daily retail water use (in million gallons per day) in the prior year of all Participants.

- C. Minimum dues may be set by the Board to cover costs of adding a new Participant as outlined in the Bylaws.

- D. In-kind contributions may be made in lieu of dues if approved by the Board. In-kind contributions must be tracked and quantified.

- E. A Participant that fails to pay its assigned dues by September 1, or a time otherwise established by the Board pursuant to Section 7.A., may be removed by the Board as a Participant after two reminders are sent.

- F. Upon a majority vote of the Board, a removed Participant (or a Participant that has previously withdrawn from membership) may be reinstated in the Consortium upon its agreement to pay its full dues for the year during which it wishes to rejoin (calculated as if the entity had been a Participant at the time the budget was approved). Upon receipt of such dues by a rejoining Participant, the Board shall add the dues payment to the existing budget for expenditure or carry over to the following year's budget.
- G. If a new Participant joins the Consortium during an annual dues cycle, its dues and those of the existing Participants shall be calculated as follows:
 - 1. If a new Participant is a Full Member, its dues requirement will be calculated pursuant to Section 7.B.4.
 - 2. If a new Participant is an Associate Member, its dues will be determined as provided in Section 7.B.3.
 - 3. The initial year dues for a new Participant joining partway through a fiscal year will be pro-rated to reflect partial year membership if more than halfway through the fiscal year.
 - 4. New Participants joining at any time after September 1 shall pay their initial year's dues within 90 days of signing this Agreement.

Section 8. Work Plan and Budgeting

- A. Each year, at the first Board meeting of the calendar year, the Board shall adopt an annual work plan of Consortium activities for the upcoming fiscal year beginning on July 1.
- B. At the same time, the Board shall adopt a budget sufficient to conduct the Consortium's annual work plan. The budget shall also include a calculation of the dues owed by each Participant to fund the budget as provided in Section 7 and a table apportioning the dues to each Participant.
- C. The budget may include special projects that will be funded by fewer than all of the Participants on a voluntary basis as outlined in Section 5.E.
- D. The Board may amend the budget and the work plan at any time as it deems appropriate except that dues may only be increased annually as provided for in Section 7. Additional expenditures may be permitted so long as there are identified sources of revenue, other than increased dues, for such expenditures.
- E. Participants shall provide to Consortium staff the data necessary to calculate the annual dues for budgeting and planning in a timely manner.

Section 9. Consortium Board

- A. The Board shall be made up of one member from the governing body of each Full Member. Each Participant shall also name an alternate Board representative from its governing body to serve in case the primary representative cannot. Provided, however, that if the Board Chair does not attend a meeting, the Vice Chair shall assume the Chair's duties rather than the Chair's alternate.
- B. Annually, the Board shall elect a Board Chair and a Vice Chair and appoint the Executive Committee members in accordance with the provisions in the Consortium Bylaws.
- C. The Board is authorized to: (1) approve the Consortium's annual work plan and budget; (2) approve the Consortium's strategic plan; (3) set Consortium policy; (4) approve new Participants; (5) initiate updates to the Plan as needed; (6) approve minor amendments to the Plan; (7) recommend to Participants' governing bodies major amendments to the Plan; (8) recommend to Participants' governing bodies amendments to this Agreement; (9) adopt and update the Bylaws; (10) exercise any other powers and authority granted to the Consortium by this Agreement necessary to accomplish the Consortium's purposes.
- D. The Board shall have the authority to designate which amendments to the Plan are major and which are minor for purposes of determining the process for amendment consideration. Generally, major amendment to the Plan should include revisions to the Plan's policy objectives, resource strategies, or implementation actions which significantly alter Plan direction or would significantly change the implementation strategies. Minor amendments are all other changes to the Plan.
- E. The Board may assign such duties or delegate such Board authority as the Board deems advisable to any Participant, Board committee, the Executive Committee, or to the Technical Committee, except that the Board may not delegate the authority (1) to execute intergovernmental agreements, (2) to designate Plan amendments as minor or major, (3) to recommend major Plan Amendments or amendments to this Agreement, (4) to approve the annual work plan and the budget, (5) to approve minor Plan amendments, (6) to approve the admission of Participants to the Consortium, or (7) to dissolve the Consortium.
- F. To be effective, Board actions must be approved by a vote of a majority of the Board at a meeting at which a simple majority of the Board is present.

Section 10. Executive Committee

- A. The Consortium shall have an Executive Committee, which shall be appointed by the Board and consist of seven Board members, one of which shall be the Board Chair. The Board shall endeavor to appoint Executive Committee members in a manner that achieves geographic representation and representation from municipalities, special districts, and other types of entities that form the Consortium.

- B. The Board Chair shall be the Chair of the Executive Committee.
- C. The Executive Committee shall serve to assist the Board in more timely and meaningful policy action as outlined in the Bylaws.
- D. The Executive Committee shall at no time act on behalf of the Board unless specifically authorized by the Board to do so as provided in Section 9.E.
- E. Except for the Board Chair, the term for each Executive Committee member shall be two years, and individuals may serve consecutive terms if re-appointed.
- F. To be effective, Executive Committee actions must be approved by a vote of a majority of the Executive Committee at a meeting at which a simple majority of the Executive Committee is present.

Section 11. Technical Committee

- A. The Consortium shall have a Technical Committee, which shall be made up of one staff representative appointed by each Full Member. Each Full Member shall also appoint an alternate Technical Committee representative to serve when the primary representative cannot. Provided, however, that if the Technical Committee Chair does not attend a meeting, the Vice Chair shall assume the Chair's duties rather than the Chair's alternate.
- B. On an annual basis, the Technical Committee shall elect a Chair and Vice Chair.
- C. The Technical Committee shall advise and provide assistance to the Board on any matters falling within the Consortium's purview under this Agreement, and may act upon Board delegation of authority as provided in Section 9.E.
- D. The Technical Committee under the provisions of any agreement or contract to provide staff shall advise Consortium staff and assume the responsibility to draft proposed work plans, budgets, annual and other reports, plan amendments, and implementation proposals for submission to the Board or Executive Committee as appropriate.
- E. To be effective, Technical Committee actions must be approved by a vote of a majority of the Technical Committee at a meeting at which a simple majority of the Technical Committee is present.

Section 12. Dispute Resolution

It is the intention of the Participants to limit the issues available for dispute resolution. The issues raised must be related to interpretation of the express terms of this Agreement. No issues related to water supply development or program development by individual Participants may be raised.

Any such dispute shall, if possible, be resolved through the use of a mandatory, but non-binding dispute resolution mechanism established by the Board through the Bylaws.

Section 13. Duration and Dissolution

This Agreement shall remain in effect, subject to the following: (1) any Participant may withdraw at any time as provided in Section 6.D. of this Agreement; (2) should all but one Participant withdraw, the Agreement shall end and the Consortium shall be dissolved; (3) the Agreement may be ended and the Consortium dissolved by a vote of the Board; (4) remaining funds shall be distributed in accordance with the Bylaws.

Section 14. Legal Liability

Participants agree to share any costs or damages, including reasonable attorney's fees, from third party actions against the Consortium. The obligation shall apply to any entity that was a Participant in the Consortium at the time the liability arose or the cause of action accrued. Payment obligations shall be proportional to the dues of each entity. Participants agree to assist and cooperate in the defense of such an action. Settlement of any action that would impose an obligation to pay upon the Participants under this provision must be approved by a majority of the Board. The obligations of a Participant under this Section 13 shall survive that Participant's withdrawal from the Consortium, termination of this Agreement, or dissolution of the Consortium.

Section 15. Oregon Law and Forum

- A. This Agreement shall be construed according to the law of the State of Oregon.
- B. Any litigation between the Participants under this Agreement or arising out of work performed under this Agreement shall occur, if in the state courts, in the Multnomah County Court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the District of Oregon.

Section 16. Public Notification

The Board, the Executive Committee, and the Technical Committee shall be deemed public bodies for purposes of Oregon's public meeting laws as provided by ORS Chapter 192. Other committees or sub-committees are subject to ORS Chapter 192 only as applicable.

Section 17. Agreement Amendment

Amendments to this Agreement shall be recommended by the Board and shall be effective when authorized by the governing body of every Participant.

Section 18. Indemnification

Subject to the conditions and limitations of the Oregon Constitution, Article XI, Section 7, and Oregon Tort Claims Act, ORS 30.260 through 30.300, each Participant shall indemnify, defend, and hold harmless the Consortium and other Participants from and against all liability, loss, and costs arising out of or resulting from the negligent or intentionally wrongful acts of the indemnifying Participant, their governing bodies, officers, employees, and agents in the performance of this Agreement.

Section 19. Severability

If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

Section 20. No Third-party Beneficiaries

The Participants are the only parties to this Agreement and as such are the only parties entitled to enforce its terms. Nothing contained in this Agreement gives or shall be construed to give or provide any benefit, direct, indirect, or otherwise to third parties unless third persons are expressly described as intended to be beneficiaries of its terms.

Section 21. Merger Clause

This Agreement constitutes the entire agreement between the Participants. No waiver, consent, modification or change of terms of this Agreement shall bind a Participant unless in writing and signed by the affected Participants. Such waiver, consent modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement.

Section 22. Counterparts

This Agreement may be signed in counterparts, each of which shall be deemed an original, and which, when taken together, shall constitute one and the same Agreement.

The Participants agree that any Participant may execute this Agreement, including any Agreement amendments, by electronic means, including the use of electronic signatures.

AMENDED AND RESTATED REGIONAL WATER PROVIDERS CONSORTIUM
INTERGOVERNMENTAL AGREEMENT

IN WITNESS WHEREOF, the signatory hereby causes this agreement to be executed.

(Signatory page can be changed to fit specific adoption process)

SIGNATORY PARTY

Jurisdiction or Entity Name

By: _____

Title: _____

Print Name: _____

Contact Person: _____

Dated: _____

Address: _____

Send signed agreement to Patty Burk patty.burk@portlandoregon.gov or mail to:

Portland Water Bureau
Attn: Patty Burk
1120 SW 5th Ave. Suite 405
Portland, OR 97204



TUALATIN VALLEY
WATER DISTRICT

RESOLUTION NO. 23-23

A RESOLUTION APPROVING THE CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT BETWEEN TUALATIN VALLEY WATER DISTRICT AND PAUL MATTHEWS.

WHEREAS, following the retirement of the former Chief Executive Officer, the Board of Commissioners appointed Paul Matthews as Interim Chief Executive Officer (CEO) by Resolution 17-23; and

WHEREAS, the Board of Commissioners has further considered and determined that appointment of Paul Matthews as permanent CEO provides a seamless transition with needed continuity to carry on crucial District initiatives such as completion of the construction and implementation of the Willamette Water Supply System, the Customer Information System project, and full knowledge of District operations; and

WHEREAS, the Board of Commissioners and Paul Matthews wish to enter into the Chief Executive Officer Employment Agreement and being advised.

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

Section 1: The Board of Commissioners hereby appoints Paul Matthews as the permanent Chief Executive Officer of Tualatin Valley Water District to serve at the pleasure of the Board according to the Chief Executive Officer Employment Agreement attached hereto as Exhibit 1 and incorporated by reference.

Section 2: As set forth in the Chief Executive Officer Employment Agreement, the Chief Executive Officer shall have all powers and duties to execute and administer the policies, programs, ordinances, rules and regulations of the District, and such other duties or tasks as may be assigned by the Board of Commissioners within budget appropriations and in accord with all applicable law. This CEO is vested with the day-to-day operational control of District operations while reserving to the Board sole policy making authority and control over fiscal policy, budget, and financial matters.

Section 3. The Board President is authorized to execute the Chief Executive Officer Employment Agreement on behalf of the District.

Approved and adopted at a regular meeting held on the 20th day of December 2023.

Todd Sanders, President

Jim Doane, Secretary

CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT

PARTIES:

Tualatin Valley Water District (a public body) (hereinafter "District")

and

Paul L. Matthews, Chief Executive Officer (hereinafter "CEO" or "Employee")

RECITALS:

1. The District desires to employ Paul L. Matthews as CEO and to establish by this Agreement the terms and conditions of the employment of the District's CEO.
2. Paul L. Matthews desires to accept employment as CEO.
3. The parties desire an agreement which provides an inducement for the CEO to remain in employment, to establish a regular process for evaluating performance, and to provide a just means for ending the employment relationship at such time as the CEO should become unable to discharge duties due to an intervening event or condition, or because the District desires to end the employment relationship for any reason.

IT IS AGREED:

1. Duties. The District employs Paul L. Matthews as CEO, to perform the functions and duties of CEO as specified in the execution and administration of policies and programs, ordinances, rules and regulations of the District, provisions and duties of this Agreement, and such other duties and tasks as may be as prescribed or assigned by the Board of Commissioners within budget appropriations and applicable law. The Board of Commissioners vests in the CEO the day-to-day operational control of District operations, and reserves to the Board of Commissioners sole policy making authority and exclusive control over fiscal policy, budget, and financial matters.

The authority of the CEO, consistent with state law, shall include, but not be limited to, overall management, administration and direction of District operations; the hiring, supervising, disciplining and discharging of District employees and volunteers; the execution and administration of District policies within budget appropriations according to District policy and pursuant to ordinance or resolution; policy advice to the Board of Commissioners and open communication with the community so as to foster responsive and courteous public service. The CEO will:

- A. Initiate, administer and supervise the functions, activities and programs of the District;
- B. Supervise the construction, operation, maintenance, repair and replacement of any facilities and equipment owned or maintained by the District, and to recommend to the Board the acquisition of new or sale of used equipment and facilities;
- C. Keep and maintain proper fiscal records for the District;

- D. Hire, supervise, discipline and fire all personnel necessary to carry out the business of the District subject to the limitations of Oregon law, District policies, and any applicable contract;
- E. Do and perform all things necessary to be done to completely and fully administer said District and/or as otherwise directed by the Board of Commissioners of the District; and
- F. Provide assistance or services to other units of government when within the District's purposes and objectives to the extent reasonable and practical, which is encouraged but not required.

In doing so, the CEO shall be bound by all the rules, regulation and policies now in existence or hereafter adopted by the Board of Commissioners of the District and shall administer the affairs of the District in accordance therewith and pursuant to the laws of the State of Oregon.

The Board of Commissioners agrees to the principle that effective and efficient administration of District policy established by the Board of Commissioners is best achieved by the CEO and the CEO's exercise of judgment as to implementation and that ordinarily the authority of Commissioners is exercised in meetings of the Board as a whole. The Board agrees that when individual Commissioner questions or suggestions related to services or operations arise outside of meetings of the Board, in order to avoid misunderstandings of the role and responsibility of the CEO in relation to elected Commissioners and District employees, Commissioners ordinarily will refrain from communicating desires, suggestions or requests except to and through the CEO or during a meeting of the Board of Commissioners. When Commissioners do communicate with District employees, for example to convey compliments and appreciation or to direct an information question to the employee with the expertise or responsibility, a copy of such communications will be directed to the CEO or the Commissioner will keep the CEO contemporaneously and fully apprised.

2. Term of Agreement. The term of this Agreement is indefinite. Unless the District notifies the CEO to the contrary in writing at least thirty (30) days before the start of the next agreement year, it shall be deemed that the District has renewed this Agreement for one (1) additional year. Unless the CEO notifies the District to the contrary in writing at least thirty (30) day before the start of the next agreement year, the CEO agrees to accept renewal of this Agreement. If the term of the Agreement has not been extended in a particular year, it shall be allowed to reach its existing effective ending date.

a. The terms of this Agreement shall apply to the CEO's employment on and become fully effective on December 21, 2023. The "agreement year" as used herein refers to a calendar year. The initial term of this Agreement shall extend through the succeeding agreement year to December 31, 2024. Absent notice as provided above to the contrary, this Agreement shall automatically renew annually for the succeeding agreement year, which shall extend from January 1 to December 31, 2025, and during like period each year thereafter.

b. Nothing in this Agreement shall grant the CEO a property right in the position, nor prevent, limit, or otherwise interfere with the right of the District to terminate the services of the CEO at any time, with or without cause, subject only to the provisions of this Agreement pertaining to termination and severance pay.

c. The CEO may resign at any time, subject only to the provisions of this Agreement relating to Notice.

d. In the event the CEO is incapacitated or otherwise unable to perform their duties for a period which extends beyond protected leave periods that apply, the CEO will provide a written medical opinion by a physician of the CEO's choosing evaluating the CEO's ability to perform their assigned duties. If, in the opinion of the physician, the CEO will be able to resume their duties following a period of convalescence, or in the event reasonable accommodations are identified in an interactive process, the District may suspend some terms of this Agreement or the Agreement until the CEO is able to return to work. If, in the opinion of the physician, the CEO is permanently incapacitated or will be unable to return to their assigned duties, the District may terminate this Agreement; however, the District shall not do so in a manner which deprives the CEO of the value of earned leave entitlements or rights protected by Oregon or federal law.

3. Outside Employment. As a general rule or expectation, the CEO ordinarily will devote at least forty (40) hours per week to administrative and executive work for the District. Other compensated employment shall not interfere with the CEO's ability to effectively discharge the assigned duties and responsibilities. The CEO is a salaried employee with discretion to set their hours of work. The CEO will seek approval by the Board of any compensated outside employment prior to accepting such employment and will keep the Board informed at least annually of any continuing compensated employment.

4. Termination and Severance.

a. Termination Without Cause. This Agreement may be terminated either by the District or the CEO for any reason whatsoever upon the giving of thirty (30) days written notice to the other party.

b. Termination For Cause. This Agreement may be terminated immediately in the sole discretion of the District upon the occurrence of any one of the following events:

1. CEO willfully and continuously fails or refuses to comply with the policies or Board established standards and expectations as may be established and communicated formally by the Board as written policy, resolution, ordinance or other communication periodically;

2. CEO has committed acts of fraud, dishonesty, misappropriation of funds, intentional deception of the Board or other authority, embezzlement, or other crimes or misconduct which reflect poorly on the CEO or the District in relation to the rendering of District services as a public body;

3. CEO shall fail or refuse to perform faithfully or diligently any of the duties provided for in this Agreement.

c. Severance Upon Termination Without Cause. In the event the CEO is involuntarily terminated without cause by the District during such time as the CEO is willing and able to perform the duties of CEO, then in that event the District agrees to pay the CEO a lump sum of the value of six (6) months of salary at the rate computed

based upon current annual base salary in effect on the date of termination. If the CEO is terminated for cause under paragraph 4(b) of this Agreement, then the District shall have no obligation to provide for or pay any severance payment.

d. Severance Under Other Circumstances. If the District reduces the salary or financial benefits of the CEO, or if the District refuses a written request that the District comply with any terms of this Agreement benefiting the CEO, or if the CEO resigns following public suggestion that they do so, whether formal or informal by a majority of the Board of Commissioners, then the CEO may, at the CEO's option, declare the Agreement to be involuntarily terminated and the severance pay provision under subparagraph (c) of this section shall apply from the date of such declaration.

e. Voluntary Resignation. If the CEO voluntarily resigns employment and thereby terminates this Agreement before the expiration of the agreement year, then in order to resign in good standing, the CEO shall give the District at least 30 days' notice in advance. If the CEO resigns voluntarily and not under circumstances described in subsection (d) of this section of this Agreement, then they shall not be entitled to severance as defined in 4(c).

f. Vacation Payoff. Upon termination of this Agreement, the CEO shall be entitled to a lump sum payment equivalent to the value of CEO's accrued vacation balance, computed at CEO's then current rate of pay.

5. Salary. Commencing on January 1, 2024, the District shall pay the CEO for services rendered an annual salary of two-hundred sixty-four thousand seven hundred forty-two and 40/100 dollars (\$264,742.40). The District will review the base salary, and other benefits of the CEO, at the CEO's annual performance review. The annual review of performance and salary will be conducted in December of each year. The District's ability to increase compensation is limited by availability of budgeted funds for that purpose and constrained by internal, external and labor market considerations as determined by the Board of Commissioners and/or as fixed by the Board as District policy.

6. Hours of Work. The parties recognize that the CEO must devote a great deal of time outside of normal office hours to District administration when required. The CEO shall determine CEO's hours of work so as to be available to the public, employees and the Commissioners on a predictable and regular basis and so as to accomplish the goals and tasks directed by the Board of Commissioners. The CEO may work remotely so long as reasonable, in person availability to the public, employees and the Commissioners is maintained. Notwithstanding the foregoing, the CEO shall remain available within a reasonable time to meet with the Commissioners if they request. The CEO is entitled to take accrued management time off, in accordance with District policy, to such an extent as the CEO deems appropriate and proper during business hours, provided that absences due to such time off do not interfere with the performance of the CEO's duties and important needs of the District. The CEO is salaried, shall not be entitled to overtime compensation, and is subject to the District's uniformly applied earned leave and work/time off/compensation accountability policies associated with fringe benefits hereinafter described.

7. Automobile. The CEO shall receive a taxable automobile allowance of six hundred dollars (\$600.00) per month in lieu of mileage reimbursement for automobile travel within the state of Oregon and Southwest Washington, including Pacific, Wahkiakum, Cowlitz, Clark, Skamania and Klickitat counties. Automobile travel to destinations outside of the state of Oregon and Southwest Washington shall be reimbursed for the entire distance of the trip and shall be paid at the published IRS rate in effect at the time of

the trip, or at the lowest published fare for available commercial air travel, whichever is less.

8. General Expenses. The District shall reimburse the CEO for reasonable expenses of a non-personal and generally job-related nature which are incurred, upon receipt of expense vouchers, receipts, statements or a personally written justification or request. The CEO is authorized to expend District funds in the execution of District business and in representing the District at conferences and otherwise, to purchase materials for recognition of employees or volunteers, and to incur travel and lodging expenses in the conduct of District business. The CEO is exempt from per diem expense limits established by District policy applicable to other employees; provided however that the CEO shall remain accountable to the Board of Commissioners for the prudent expenditure of public funds, and shall fully account to the Board for travel, conferences and related expenses which he shall report periodically.

9. Dues and Subscriptions. The District will reimburse the CEO for professional dues and subscriptions appropriate for full participation in appropriate associations and organizations necessary and desirable for professional participation, growth and advancement, and to improve performance of duties as CEO. The CEO shall report to the Board of Commissioners on each professional organization for which the District pays dues and subscription services.

10. Professional Development. In accordance with District policy, the District shall budget and pay registration, travel and subsistence expenses of the CEO for professional and official travel, meetings, and occasions deemed necessary or desirable to continue the executive development of the CEO and to pursue official functions of the District. The CEO shall make periodic reports to the Board of Commissioners on such activities.

11. Fringe Benefits. The CEO shall receive the fringe benefits which the District provides and may hereafter provide to regular fulltime District employees. These include holiday, vacation, and sick time off and accrual and caps to the same extent as provided for in District policies, health, dental, vision, disability, HRA and life insurance benefit plans and plan documents/descriptions, VEBA, 401(k) and PERS retirement benefit plan documents as provided and as revised periodically. The District will contribute an amount equal to that paid for insurance for the benefit of other fulltime District employees and their dependents toward insurance for the CEO and their eligible dependents. The CEO will pay by payroll deduction the portion of insurance benefit premium(s) uniformly required to be paid by other fulltime District employees.

CEO benefits shall be governed by the District policies which establish them.

12. Cell Phone/Computer. CEO responsibilities, essential functions and necessary responsiveness require immediate access to elected officials, managers and key individuals identified by the District. The CEO must use a cellular phone for work related communication, and may use it for personal communication without restriction, and as part of CEO's total compensation. The District will pay the CEO the maximum amount afforded to other District employees to enable the CEO to purchase and maintain cellular equipment and phone service and communicate by cellular voice and text. The CEO will be responsible for tax consequences, if any, of the District cellular stipend, and must sign and submit the District's stipend request form. Cellular equipment and service accounts are solely the CEO's property and responsibility.

The District will furnish the CEO a District-owned laptop computer for use in connection with his employment, which the CEO may use for both District and incidental personal uses not inconsistent with the District computer and internet policies. Upon cessation of employment, the laptop computer shall be returned to the District.

13. Annual Goal Settings and Performance Evaluation. The Board of Commissioners will periodically identify its concerns, if any, to the CEO either by informal discussions with the CEO or by more formal means during executive sessions. Commencing in January 2024, the Board of Commissioners and the CEO shall meet at least annually to evaluate and assess the performance of the CEO in meeting or progressing toward the goals formally adopted by the Board of Commissioners. The parties agree to develop and adopt CEO goals for the 2024 calendar year by February 15, 2024.

In the event the District determines that the performance of the CEO is unsatisfactory in any respect or needs significant improvement in any area, the Board of Commissioners will endeavor to describe these concerns in writing and in reasonable detail or with specific examples as to be objective and helpful to CEO's diligent and good faith efforts to meet or exceed the Board's expectations. However, this section 13 relating to annual goal setting and performance evaluation shall not be construed or applied as a limitation or condition for Board action terminating the CEO's employment either for cause or without cause. As provided in section 5 of this Agreement relating to salary, the CEO's salary shall be reviewed at least annually after the performance evaluation has been communicated by the Board or its sub-committee or designated Board-member representative. The evaluation shall be based on the CEO's performance of duties as described in paragraph 1, any adopted position description or Board stated expectations, adopted goals for the year in review, and the following:

- A. Ability to cooperate with the Board, staff; community residents and leaders, peer organizations and neighboring cities, districts, and counties;
- B. Ability to effectively communicate;
- C. Effective leadership attributes in leading District employees;
- D. Good work habits as an example to employees;
- E. Full and efficient provision or use of all District services or resources;
- F. Management skills necessary to maximize the services to be made available to the District and minimize the cost to the rate payers; and
- G. Performance measured against the strategic plan as developed by the Board and revised periodically.

14. Amendments. Amendment to this Agreement shall be in writing and signed by both parties.

15. Work Product. The Parties agree that during the course of the CEO's employment at District as Chief Financial Officer and now as CEO, the CEO has produced work product typical of intellectual property produced by consultants and other professionals that would qualify as "works for hire". Upon termination of this Agreement for any reason, CEO shall have the right to retain these works and to use them outside of District. District shall be granted a perpetual right of ownership in these works, subject to CEO's right of use.

16. General Provisions. This Agreement shall be binding upon and inure to the benefit of the heirs-in-law and executors of the CEO. If any provision of this Agreement is held to be invalid or unenforceable, the remainder of this Agreement shall be deemed severable and shall

not be but remain in full force and effect.

17. Effective Date. This Agreement shall be effective from and after December 21, 2023, and shall continue in full force and effect according to its terms.

Dated this _____ day of _____ 2023.

TUALATIN VALLEY WATER DISTRICT

Paul Matthews, CEO

Todd Sanders, Board President

ATTEST:

Jim Doane, Secretary