

**Willamette Water Supply System Commission
Board Meeting Agenda
Wednesday, July 3, 2019 | 12:00 – 2:00 PM**

**Tualatin Valley Water District – Board Room
1850 SW 170th Avenue, Beaverton, OR 97003**

To prepare to address the Willamette Water Supply System Board, please fill out the Public Comment Form located on the table near the main door to the meeting room. **Assistive Listening Devices (ALD) are available upon request 48 hours prior to the day of the meeting by calling (503) 941-4580.** **All testimony is electronically recorded.**

The Board and other attendees dine at 12:00 p.m.

CALL TO ORDER

1. INITIAL BUSINESS

- A. Election of Officers
- B. Acknowledgement of Managing Agency
- C. Acknowledgement of Committee Appointees

2. GENERAL MANAGER'S REPORT (Brief presentation on current activities relative to the WWSS Commission)

3. PUBLIC COMMENT

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

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

- A. None. Inaugural Board meeting

5. BUSINESS AGENDA

- A. Adopt Annual Work Plan and Budget for FY 2019-20
- B. Delegate Authority and Adopt Procurement Rules
- C. Establish Board Meeting Dates for FY 2019-20

6. INFORMATION ITEMS

- A. None.

7. COMMUNICATIONS AND NON-AGENDA ITEMS

- A. None scheduled.

ADJOURNMENT

Willamette Water Supply System Commission

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STAFF REPORT

To: WWSS Board of Commissioners
From: David Kraska, PE, Willamette Water Supply Program Director
Date: July 3, 2019
Subject: Resolution Adopting Annual Work Plan and Budget for Fiscal Year 2019-20

Requested Board Action:

Consider adopting a resolution adopting an annual work plan and budget for the Willamette Water Supply System (WWSS) for fiscal year 2019-20.

Key Concepts:

- TVWD, as the Managing Agency, prepared a draft Annual Work Plan and Budget for review, comment and approval by the Willamette Water Supply Program's then-existing Executive Committee.
- The Management Committee, through the then-existing Executive Committee, recommend this Annual Work Plan and Budget for WWSS Commission approval.
- The Annual Work Plan provides the proposed scope of work to be performed by the Managing Agency for the 2019-20 fiscal year (FY2020), in accordance with the WWSS Intergovernmental Agreement (IGA).
- The proposed budget includes appropriations of \$834,788 for operations and administration, \$90,289,012 for capital outlay, and \$83,000 for general operating contingency.
- The expected cost to continue WWSP operations until the September 5, 2019 WWSS Board meeting is \$14M. The budget and annual workplan can be revised at the September WWSS Board meeting or a later time, at the Board's purview.
- Consistent with Oregon local budget law, TVWD's Budget Committee approved the proposed WWSS budget, and the TVWD Board adopted the WWSS approved budget. This provides the appropriations needed for TVWD to fulfill the Annual Work Plan and Budget once adopted by the WWSS Commission.

Background:

Article 6.6 of the WWSS IGA specifies the powers and duties of the Managing Agency. As the Managing Agency, TVWD prepared a draft of the Annual Work Plan and associated budget to address those duties that are expected to be required in FY2020. The Annual Work Plan and associated budget were presented to the Executive Committee of the WWSP on March 27, 2019. The Executive Committee provided governance for the WWSS activities prior to the effective date of the WWSS IGA on July 1, 2019.

The Annual Work Plan includes the following main tasks:

1. General Administration
2. Capital Projects Management
3. Annual Work Plan and Budget Development

4. Finance Administration
5. Operations Committee Administration
6. Management Committee Administration
7. Administer WWSS Board of Commissioners Meetings
8. Contingency

The proposed FY2020 budget for the WWSS is:

Proposed WWSS Budget	
Appropriations Category	Proposed
Personnel Services	\$0
Materials and Services	834,788
Capital Outlay	90,289,012
General Operating Contingency	83,000
Total	\$91,206,800

The details in the Materials and Services line item includes:

Detailed Materials and Services Budget		
Description	GL #	Proposed
Operating Expense	45-60-01-7000	\$549,288
Professional Services	45-60-01-7310	135,000
Insurance	45-60-01-7320	110,000
Business Expense	45-60-01-7330	4,200
Property Maintenance	45-60-01-7400	8,000
Public Information	45-60-01-7450	5,000
Audit	45-60-01-7490	15,300
Locates	45-60-01-7680	8,000
Total		\$834,788

The WWSS IGA provides the methodology for allocating the Materials and Services line items to the parties. Specifically, the IGA provides two allocation techniques: one for administration costs, the other for other operating costs. Presented below is the allocation of the Materials and Services budget to these two categories of costs.

Allocation of Costs to Administration and Operations			
Description	Admin.	Operations	Total
Operating Expense	\$549,288	\$0	\$549,288
Professional Services	135,000	0	135,000
Insurance	110,000	0	110,000
Business Expense	4,200	0	4,200
Property Maintenance	0	8,000	8,000
Public Information	5,000	0	5,000
Audit	15,300	0	15,300
Locates	0	8,000	8,000
Total	\$818,788	\$16,000	\$834,788

The IGA allocations Administration costs to the parties based on two weighted factors. The first weighted factor is equal shares. That is, each of the three parties is allocated one-third of the costs recovered based on equal shares. The second factor is based on percentage ownership. For Administration costs, the two factors are weighted 25% based on equal shares and 75% based on ownership. The weighted allocations factors by party are:

Weighted Allocation Shares for Administrative Costs					
Party	Equal Share		Ownership		Total
	Unweighted	Weighted	Unweighted	Weighted	Weighted
TVWD	33.3%	8.3%	58.9%	44.2%	52.5%
Hillsboro	33.3%	8.3%	36.1%	27.1%	35.4%
Beaverton	33.3%	8.3%	5.0%	3.7%	12.1%
Total	100.0%	25.0%	100.0%	75.0%	100.0%
Weight		25.0%		75.0%	

The costs of operations are allocated based on ownership. The allocation of operations costs will be revised once the WWSS enters commercial operations. At that time a more detailed allocation based on ownership and usage may be required.

Presented below is an estimate of the allocated costs for Materials and Services.

Allocation of Materials and Services by Party					
	Administration Costs		Operations Costs		
Party	Share	Amount	Share	Amount	Total
TVWD	52.5%	\$430,055	58.9%	\$9,427	\$439,482
Hillsboro	35.4%	289,858	36.1%	5,774	295,632
Beaverton	12.1%	98,876	5.0%	798	99,674
Total	100.0%	\$818,788	100.0%	\$16,000	\$834,788

The costs for capital outlay will be allocated based on the ownership shares of each party in the facility being built. If accessed by the WWSS Board, the contingency will be allocated based on its use. Contingency will only be recovered from parties should the WWSS Board vote to access the contingency.

At its meeting held on March 27, 2019, the Executive Committee of the WWSP approved the Annual Work Plan and Budget, as presented herein, for presentation to the newly created WWSS Board as the FY2020 proposed budget.

As the Managing Agency, the proposed budget was included in TVWD’s proposed budget and presented to its Budget Committee for approval. TVWD’s Budget Committee approved the proposed budget which was then considered by the TVWD Board for Adoption. The proposed budget was adopted by the TVWD Board at its June 19, 2019 meeting. The final step in the process is adoption of the budget by the WWSS Commission Board.

Budget Impact:

The proposed resolution establishes the Annual Work Plan and Budget for the WWSS. The impact of adopting the proposed resolution is to establish appropriations for the WWSS of \$834,788 for materials and services, \$90,289,012 for capital outlay, and \$83,000 for general operating contingency.

Staff Contact Information:

David Kraska, PE; Willamette Water Supply Program Director; 503-941-4561; david.kraska@tvwd.org
 Clark Balfour, TVWD General Counsel; 503-848-3961; clark.balfour@tvwd.org

Attachments:

- Proposed resolution
- Proposed Annual Work Plan
- Budget for the 2019-20 fiscal year

RESOLUTION NO. WWSS-01-19

A RESOLUTION ADOPTING THE WILLAMETTE WATER SUPPLY SYSTEM COMMISSION ANNUAL WORK PLAN AND BUDGET FOR THE 2019-20 FISCAL YEAR.

WHEREAS, pursuant Article 5.4.4 of the Willamette Water Supply System (WWSS) Intergovernmental Agreement (IGA), the Board of Commissioners (Board) shall annually adopt a budget (Budget); and

WHEREAS, pursuant Article 5.4.6 of the WWSS IGA, the Board shall annually adopt a work plan (Annual Work Plan) in association with the annual Budget; and

WHEREAS, pursuant Article 6.6.1 of the WWSS IGA, the Managing Agency prepared a proposed Annual Work Plan corresponding proposed annual Budget; and

WHEREAS, the Executive Committee of the Willamette Water Supply Program reviewed and approved the proposed Annual Work Plan and Budget at its March 27, 2019 meeting; and

WHEREAS, the WWSS IGA is effective July 1, 2019; and

WHEREAS, pursuant to Article 8.1 of the WWSS IGA, the Board shall strive to adopt the Budget by resolution in April of each year and being advised,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WILLAMETTE WATER SUPPLY SYSTEM COMMISSION THAT:

Section 1: The Board of the Willamette Water Supply System Commission hereby adopts the Annual Work Plan for the 2019-20 fiscal year, attached hereto as Exhibit 1 and incorporated by reference.

Section 2: The Board of the Willamette Water Supply Commission hereby adopts the Budget for the 2019-20 fiscal year, attached hereto as Exhibit 2, and incorporated by reference.

Section 3: That the Budget will be allocated to the individual WWSS Parties according to the requirements of the WWSS IGA.

Section 4: The Managing Agency will invoice the allocated amounts set forth herein from the individual WWSS Parties in accordance with the WWSS IGA.

Approved and adopted at a special meeting held on the 3rd day of July 2019.

_____, Chair

_____, Vice Chair

Willamette Water Supply System Commission

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Exhibit 1 to RESOLUTION NO. WWSS-01-19
Willamette Water Supply System
FY 20 Annual Work Plan

INTRODUCTION

The Willamette Water Supply System (WWSS) includes all water supply system infrastructure facilities beginning at the Willamette Intake Facilities (WIF) System Separation Point and continuing to the Points of Delivery (turnouts). The WWSS comprises the raw water pump station, raw water pipeline, water treatment plant, finished water pipelines, finished water storage, and related facilities that serve potable water to TVWD, Hillsboro, Beaverton and potentially other municipal water providers. The WWSS is currently owned by three parties: the cities of Beaverton and Hillsboro and the Tualatin Valley Water District (TVWD). The WWSS Intergovernmental Agreement (IGA) establishes the general operating procedures for the WWSS Commission, including designating TVWD as its managing agency (MA).

This document is the scope of work (SOW) and budget for the MA for the 2019-20 fiscal year (FY 20). The primary objectives of this effort include:

- Prepare an annual work plan and corresponding budget for FY 21.
- Perform the duties described in this FY 20 annual work plan and other duties as directed by the Board.
- Provide leadership, administration and staffing in support of the Board and committees such as the Management Committee, Operations Committee, and Finance Committee; administration of the Board meetings; and required public meeting notices and duties.
- Maintain records in accordance with public records laws.
- Develop finance procedures for the WWSS Commission.
- Provide capital project management through WWSP for delivery of the WWSS by 2026, including the annual Capital Improvements Plan.
- Prepare draft Operations Plan (including operations safety program), Emergency Response Plan, and Curtailment Plan, in coordination with the Parties.
- Procure and manage appropriate insurance coverages and fidelity coverages, in accordance with the insurance requirements.
- Approve, execute and administer contracts, subject to the contracting rules and direction of the Board within the set limits.
- Acquire real property by negotiation, lease sale, or condemnation; transfer existing rights to WWSS.
- Acquire IGAs and permits; transfer existing rights to WWSS.
- Provide public communications and outreach, including response to public information, media or records requests.
- Identify, track and report on key performance indicators and level of service goals.

SCOPE OF WORK

1. General Administration

The MA is responsible for managing the business affairs of the Commission. The MA shall perform the general administrative activities as described below:

Exhibit 1 to RESOLUTION NO. WWSS-01-19
Willamette Water Supply System
FY 20 Annual Work Plan

- a. Administration of Infrastructure Operations and Maintenance
 - i. Plans Development - The WWSS IGA identifies six WWSS plans to be drafted by the MA: 1) Capital Improvements Plan, 2) Master Plan, 3) Operations Plan, 4) Emergency Response Plan, 5) Curtailment Plan, and 6) Overuse Plans. During FY 20, the MA will prepare a draft of the Capital Improvements Plan. MA will also lead the initial development of drafts of the following plans: Operations Plan, Emergency Response Plan, and Curtailment Plan. All other plans will be drafted in future years.
- b. Records Management – Maintain a location for all relevant WWSS-related records on the TVWD information technology (IT) infrastructure. Follow Oregon statutes regarding records maintenance, management, and disposal.
- c. Asset Management – Draft asset management procedures for the WWSS and provide system locating services as needed.
- d. Warranty Management – Draft warranty management procedures for the WWSS and provide such services as needed.
- e. Property Management – Draft property management procedures for the WWSS and provide required services for currently owned properties.
- f. Contracts – As required during FY 20, draft and execute new contracts, manage existing contracts, and close completed contracts subject to the contracting rules and direction of the Board within the limits set forth on IGA Exhibit 5.
- g. Real Property Acquisition – The MA is responsible for securing the needed real property to facilitate system construction and maintenance. Secure real property in support of project construction and develop the process to convey and transfer existing real property interests to the Commission, unless either impracticable or otherwise agreed by the Board.
- h. IGAs, Permits and Other Assets – The MA is responsible for negotiating the IGAs and obtaining the permits to facilitate system construction for FY 20. Additional FY 20 activities will include inventorying IGAs, permits and other assets to plan for transferring or assigning rights or interests that would have been held by the Commission if it were in existence at the time the rights or interests were acquired.
- i. Responding to Requests – When requests for WWSS-related information are made by the public or the media, coordinate a response with the other WWSS Parties as appropriate. Requests for public records will be responded to in keeping with TVWD's established public information request policy. The MA will notify the WWSS Operations Committee members when a public information request is received and when it is fulfilled.
- j. Communications and Public Outreach
 - i. Website creation and management - Establish an independent website for housing public-facing WWSS information including public meeting announcements, agendas, and meeting notes that integrates with the established ourreliablewater.org website developed for WWSP.

Exhibit 1 to RESOLUTION NO. WWSS-01-19
 Willamette Water Supply System
 FY 20 Annual Work Plan

- ii. Establishing or maintaining social media accounts for the WWSS Commission is specifically excluded from the MA scope for FY 20. The established WWSP accounts will continue to be utilized.
- k. Legislative Updates
 - i. Provide quarterly updates on legislative activities relevant to water within the Willamette basin to the Management Committee.
- l. Legal Services
 - i. Provide legal services as required in the performance of Managing Agency duties for the WWSS Commission including supporting the preparation and execution of IGAs and project agreements and transferring agreements/assets to the WWSS.
- m. General
 - i. Maintain a current contact list of the WWSS Board and alternates, the Operations Committee, the Finance Committee, and the Management Committee.

2. Capital Projects Management

The MA is responsible for managing the capital improvement projects for the WWSS undertaken by the WWSS Commission. The WWSS has agreed to perform Ancillary Projects to allow use of MA resources to oversee and manage design and construction of a project that delivers water from a direct connection to the WWSS to that Party's water system.

a. Capital and Ancillary Projects for FY 20:

Projects in Design	Projects in Construction
PLM_1.3 (continue design)	PLM_1.1 (progress construction)
PLM_4.2 (continue design)	PLM_1.2 (procure construction contractor with Wilsonville; begin and progress construction)
PLM_4.3 (planned design suspension period)	PLM_4.1 (procure construction contractor with Washington Co.; begin and progress construction)
PLM_4.4 (continue design)	PLM_5.1 (progress construction)
PLM_5.3 (continue design)	PLM_5.2 (begin construction)
PLW_1.2 (Washington Co.-driven design suspension period)	PLW_1.3 (procure construction contractor; begin construction)
PLW_1.3 (complete design)	RWF_1.0 (develop Guaranteed Maximum Price with CM/GC, begin phase I construction)
PLW_2.0 (procure design firm, progress design)	
MPE_1.0 (continue design)	
RES_1.0 (procure design firm, progress design)	
RWF_1.0 (continue design, including CM/GC participation)	
WTP_1.0 (continue design, including CM/GC participation)	
Water Supply Integration (progress planning)	
Ancillary Projects (progress planning and design)	

* - WTP_1.0 includes DCS_1.0

3. Annual Work Plan and Budget Development

The MA is responsible for preparing and managing the Annual Work Plan and corresponding annual budget.

Exhibit 1 to RESOLUTION NO. WWSS-01-19
Willamette Water Supply System
FY 20 Annual Work Plan

- a. Coordinate with the Operations and Finance committees to prepare the draft Annual Work Plan and Budget for FY 21.
- b. Prepare Management Committee Review Draft and present at a regularly scheduled meeting.
- c. Prepare Final FY 21 Annual Work Plan and Budget for Presentation to WWSS Board.

4. Finance Administration

The Finance Committee provides recommendations to the Management Committee on the proposed annual budget, capital improvement plan including resource availability and timing, and other financial policies. The MA, which is responsible for financial planning and management for the WWSS Commission, will conduct the following tasks:

- a. Coordinate with the Finance Committee in the development of financial procedures to replace the interim procedures and obtain WWSS Board approval.
- b. Prepare an annual budget preparation calendar.
- c. Prepare monthly invoices and financial reports. Financial reports will be provided to the WWSS Board as part of the Board packet for each of its meetings.
- d. Provide routine accounting and financial management including payment of accounts payable for expenses incurred on behalf of the WWSS Commission.
- e. Prepare and invoice dues for each WWSS Party monthly.
- f. Provide insurance, pursuant to IGA Article 28.3 and referenced Exhibit 11, for the WWSS.
- g. Administer Committee Meetings
 - i. The Finance Committee will hold quarterly meetings with the Operations Committee.
 - ii. When the Finance Committee meets independently of the other committees, the agenda and materials will be shared with the committee members one week prior to the meeting.
- h. Annual Audit – The MA will facilitate an independent financial review of the WWSS Commission’s activities up to the time of the audit. Facilitation of this audit is assumed to entail the following:
 - iii. Contract with TVWD’s auditor for purposes of conducting the independent financial review.
 - iv. Oversee execution of the review, including providing access to accounting records and WWSS Commission-related transactions and reports.
 - v. Distribute and facilitate communication of the financial review findings.
 - vi. Prepare and submit required regulatory findings, if any, with the State of Oregon.

5. Operations Committee Administration

The Operations Committee considers issues as directed by the Management Committee as stipulated in the WWSS IGA. The MA shall be responsible for administering the Operations Committee meetings.

Exhibit 1 to RESOLUTION NO. WWSS-01-19
Willamette Water Supply System
FY 20 Annual Work Plan

- a. Administer Committee Meetings – Conduct quarterly meetings with the Finance Committee. The MA will provide the following support for these meetings, all of which are assumed to occur at the TVWD Board Room:
 - i. Schedule each meeting with the attendees via email. Provide email reminders for each meeting.
 - ii. Coordinate meeting logistics including meeting room set up, breakdown and clean up.
 - iii. Prepare draft agendas for each meeting and submit to attendees for review one week prior to each meeting.
 - iv. Prepare brief meeting notes capturing only decisions and action items.

6. Management Committee Administration

The Management Committee provides input and recommendations to the MA on policies, planning, operations, capital projects, contract awards, etc. with the goal of achieving consensus recommendations within the Management Committee. The Management Committee members will also serve as the liaison to each of their governing bodies and shall be charged with authority to act on behalf of the governing body as stipulated within the WWSS IGA. The MA shall be responsible for administering the Management Committee meetings.

- a. Administer Committee Meetings – Conduct monthly meetings of the Management Committee. The MA will provide the following support for these meetings, all of which are assumed to occur at either the TVWD Board Room, or at a conference room at the Willamette Water Supply Program office:
 - i. Schedule each meeting with the attendees via email. Provide email reminders for each meeting.
 - ii. Coordinate meeting logistics including meeting room set up, breakdown, and clean up.
 - iii. Prepare draft agendas for each meeting and submit to attendees for review one week prior to each meeting.
 - iv. Prepare brief meeting notes capturing only decisions and action items.

7. Administer WWSS Board of Commissioners Meetings

The Board shall manage the business and affairs of the Commission for the mutual benefit of all Parties. The powers and duties of the Board are as described in the WWSS IGA. The MA shall be responsible for conducting the Board meetings as described herein:

- a. Administration of Commission Meetings
 - i. Schedule monthly WWSS Board meetings starting in July 2019 and for each month until June 2020. All meetings are assumed to be held at the TVWD Board Room.
 - ii. In coordination with the Management Committee and the WWSS Commission Board Chair, draft agendas for each meeting.
 - iii. Post public notice of meetings and agendas on the Commission web page and make a public notice available to each party for posting at the party's offices.

Exhibit 1 to RESOLUTION NO. WWSS-01-19
Willamette Water Supply System
FY 20 Annual Work Plan

- iv. Email calendar invites for all FY 20 meetings in July 2019 and email reminders of upcoming meetings one week prior to the meeting.
- v. Prepare and electronically distribute meeting agenda packets to the Board and Finance Committee one week prior to meetings.
- vi. Host twelve Board meetings, including coordinating meeting room set up, breakdown, and clean up.
- vii. Arrange for a boxed-meal to be provided during meetings.
- viii. Draft speaking points for Board Chair.
- ix. Make an audio recording of all Board meetings.
 - x. Prepare and distribute draft meeting minutes as part of the Board meeting packets.
 - xi. Post meeting minutes to the WWSS Commission web page.

8. Contingency

This task provides an allowance of approximately 10 percent of the total annual budget to provide funds for WWSS Commission related work that is not identified at the time when the Annual Work Plan and Budget were prepared. In such situations, the MA will present a request to the MC to use contingency funds, including the purpose and amount of funds requested. Following approval by the MC, approval will also be obtained from the Board.

STAFFING PLAN

The proposed staffing plan for the FY 20 services is reflected in the proposed budget. This staffing plan includes five categories of labor. Specific staffing categories and representative staff positions include:

- **General Manager:** this category is limited to TVWD's Water Supply Manager and Willamette Water Supply Program Director.
- **Department Manager:** this category includes TVWD's Chief Financial Officer, General Counsel, Chief Engineer, and Assistant Program Director.
- **Professional:** this category includes senior professional staff such as TVWD's Water Supply Operations Supervisor, Financial Planning and Debt Project Manager, Senior Engineer, Risk Management Coordinator, Senior Management Analyst, Water Quality Supervisor and Communications Supervisor.
- **Technician:** this category includes a wide variety of technical and para-professional staff including Communications Coordinators, District Recorder, Engineering Associates, Management Analyst, Water Quality Technicians, and Accountants.
- **Administrative Support:** this category consists of administrative support and includes the District's Executive Assistant and Administrative Assistant positions.

Not all staffing categories or positions are used for all tasks or assignments. Instead, specific staff will be engaged as needed based on the demands of the given task and the expertise of available staff. As such, TVWD's staffing resources represent a deep pool from which the Commission can efficiently draw upon. TVWD's diverse range of knowledge, skills and abilities

Exhibit 1 to RESOLUTION NO. WWSS-01-19
Willamette Water Supply System
FY 20 Annual Work Plan

represented by these five categories is intended to allow assignments to be completed at the lowest cost and provide the highest value for the WWSS Commission.

ASSUMPTIONS

Additional services by the MA and special projects beyond the above scope and proposed budget will be specifically directed, authorized and funded by the WWSS Commission Board.

The proposed scope of services and budget are limited to services provided in FY 20 and do not establish a baseline, cap, or precedent for services and funding requirements for future years. Future funding requirements will be based on Board-approved work plans and scopes of work.

TVWD proposes to establish a separate website or URL for the WWSS Commission. Meeting notices, agendas and meeting summaries will be provided as a designated web page on the WWSS website.

All meetings, including but not limited to Commission Board meetings, Management Committee meetings, Finance Committee meetings, and Operations Committee meetings are assumed to be held at TVWD's office or the WWSP Program Management Office, both in Beaverton. Committee meetings shall be considered technical meetings and Commission Board meetings shall be considered public meetings.

TVWD will provide logistical support, as needed, such as meeting room set-up, audio visual equipment, and meeting room clean-up.

The level of detail and content of the Board packets and meeting minutes will generally be consistent with Willamette River Water Coalition (WRWC) and Joint Water Commission (JWC) Board meetings. Each monthly Board meeting is assumed to last about two hours. Board meeting attendance is assumed to include: twelve meetings per year, three partner agencies, and up to four attendees per agency (i.e., a Board member, a Board alternate and two staff). A boxed meal shall be provided for each of the four attendees per agency, and for up to four other attendees from the MA.

The level of effort (e.g., staff hours) will generally be consistent with the proposed MA budget for FY 20. The MA shall manage the use of budgeted labor hours and expenses as the MA deems necessary to fulfill the scope of work. The MA will control the scope of work in coordination with the Finance and Operations Committees. Any significant anticipated changes to the scope of work will first be vetted by the MA with the Finance and Operations committees. In the event the level of effort significantly exceeds the anticipated budget, the MA will coordinate with the Management Committee to identify appropriate response strategies, including supplemental budget requests, or use of contingency funds (Task 8) for consideration by the Board and MA staff.

BUDGET

The following proposed budget is based on the assumed scope of services and staffing plan as outlined above. Hours in the proposed budget include only those hours that are anticipated to

Exhibit 1 to RESOLUTION NO. WWSS-01-19
Willamette Water Supply System
FY 20 Annual Work Plan

be in addition to TVWD's participation in the Commission as a Party. Labor rates, by category, are based on TVWD's direct salary plus burden, direct overhead, and indirect overhead.

Proposed

Exhibit 2 to RESOLUTION NO. WWSS-01-19

Willamette Water Supply System
Annual Budget for 2019-20 Fiscal Year

Appropriations Category	Proposed
Personnel Services	\$0
Materials and Services	834,788
Capital Outlay	90,289,012
General Operating Contingency	83,000
Total	<u>\$91,206,800</u>

Proposed

Willamette Water Supply System Commission

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STAFF REPORT

To: WWSS Board of Commissioners

From: David Kraska, P.E., Willamette Water Supply Program Director

Date: July 3, 2019

Subject: Delegating and Affirming the Authority of the Management Committee and the Managing Agency Pending Further Action by the Willamette Water Supply Commission

Requested Board Action:

Consider adopting a resolution delegating and affirming the authority of the Management Committee and the Managing Agency pending further action by the Willamette Water Supply Commission.

Key Concepts:

Between the July 3, 2019 WWSS Board of Commissioners meeting and the first regular meeting in September 2019, approvals of agreements, contracts, contract modifications, real estate acquisitions, and similar actions will be necessary to allow the Willamette Water Supply Program to continue progress. The following are the most substantive actions that are currently anticipated:

- Construction contract for Pipeline Project PLM_1.1
- Ancillary project agreements with the City of Beaverton and City of Hillsboro
- Project agreement with the City of Wilsonville
- Real estate acquisitions with values of less than \$150,000 each

If approved, this Action provides for temporary delegation authority to the WWSS Management Committee and the Managing Agency.

Background:

To date, the Willamette Water Supply Program's (WWSP) activities have been conducted under a project agreement executed by the Tualatin Valley Water District (TVWD) and the City of Hillsboro in June 2015. On July 1, 2019, that project agreement will be replaced by the Willamette Water Supply System (WWSS) Commission Intergovernmental Agreement (IGA), which also includes the City of Beaverton. The WWSS IGA will change the WWSP's governance processes, including execution of agreements and contracts. The first regular meeting under the WWSS IGA is scheduled for September 5, 2019. Until that meeting, it will be necessary to continue to conduct business in a manner that advances the activities related to completing the WWSS.

During the months of July and August, we will be working to organize the regular activities of the WWSS Commission, including scheduling regular meetings and performing on-boarding activities for the various agency staff and officials who will be involved in WWSS business. Of these individuals, the members of the WWSS Management Committee (MC), which was the Executive Committee prior to July 1, 2019, will continue to hold regularly scheduled meetings. It would be efficient to take advantage of the MC's familiarity with the WWSS Commission priorities and activities to conduct certain business activities until the first regular WWSS Board meeting is held in September, but the MC requires WWSS Board authorization to do so.

July 3, 2019

Delegating and Affirming the Authority of the Management Committee and the Managing Agency
Pending Further Action by the Willamette Water Supply Commission

Accordingly, it is requested that the WWSS Board delegate specific responsibilities to the MC until the first regular meeting in September. The following specific activities are anticipated to require action during this period:

1. Approving the Construction Contract for Pipeline Project PLM_1.1.
This project includes 1,370 feet of 66-inch diameter raw water transmission main from the Willamette River Water Treatment Plant site to near Wilsonville Road in Wilsonville. The bid opening for this project is on July 2, 2019, but the bids will not be adequately reviewed and processed to make a formal recommendation to award in time for the initial WWSS Commission Board meeting on July 3, although initial bid results will be reviewed with the Board. It would be problematic for the project schedule to delay contract award until September, therefore we are requesting the WWSS MC be authorized to award this construction contract to the contractor found by the WWSP to be the contractor with the lowest responsive bid.
2. Approving a Project Agreement between the WWSS and the City of Beaverton for the design and construction of a 16-inch pipeline from SW Nimbus/Scholls Ferry to SW Beaverton-Hillsdale Highway pipeline project (COB_1.0).
To enable timely completion of this Ancillary Project as described in the WWSS IGA, it is necessary to complete a Project Agreement that defines the roles, responsibilities (including project costs), commitments and relationships between the WWSS and the City of Beaverton. Proceeding with this agreement allows the team to complete an amendment with the design consultant and begin COB_1.0 design work to catch up with the current level of design for the MPE_1.0 project with which COB_1.0 will be constructed. The Project Agreement will be reviewed by the Beaverton City Council.
3. Approving a Project Agreement between the WWSS and the City of Hillsboro for the design and construction of a 12-inch pipeline in Cornelius Pass Road between NE Shaleen and NE Quatama (COH_1.0).
To enable timely completion of a City of Hillsboro project that is in the vicinity of the WWSP PLW_2.0 project, it is necessary to complete a Project Agreement that defines the roles, responsibilities (including project costs), commitments and relationships between the WWSS and the City of Hillsboro. Proceeding with this agreement allows the team to complete the amendment with the design consultant and begin COH_1.0 design work in coordination with the PLW_2.0 project. The Project Agreement will be reviewed by the Hillsboro City Council.
4. Approving a Project Agreement between the WWSS and the City of Wilsonville for the design and construction of selected Willamette River Water Treatment Plant (WRWTP) improvements. Establishing this Project Agreement is necessary to coordinate the design and construction of WRWTP improvements with the RWF_1.0 project. This Project Agreement will define the roles, responsibilities (including project costs), commitments and relationships between the WWSS and the City of Wilsonville. Proceeding with this agreement allows the team to complete an amendment with the design consultant and begin WRWTP improvements design work to catch up with the current level of design for the RWF_1.0 project. Moreover, proceeding with this agreement will allow timely completion of land use permitting for the RWF_1.0 project.

July 3, 2019

Delegating and Affirming the Authority of the Management Committee and the Managing Agency
Pending Further Action by the Willamette Water Supply Commission

Acquisition of and amendments to other contracts greater than \$500,000 in value, permits, and agreements may also be required during the months of July and August. Such actions would be for work or services that are within the WWSP scope and budget and necessary to maintain the WWSP schedule. Accordingly, we are requesting that the WWSS Board delegate authority to the WWSS MC approve such contracts, contract amendments, change orders or other modifications to consultant or contractor services, regulatory agency permits, grant agreements.

During this period prior to the first regular WWSS Board meeting in September, various real estate actions will continue to occur including acquiring easements to enable pipeline construction and approving Resolutions of Need that publicly document the WWSS need for certain properties. For these activities, we are requesting the WWSS Board delegate authority to the Managing Agency to complete new acquisitions that are less than \$150,000 in value and to the MC to complete new acquisitions that are greater than \$150,000 in value. Acquisition efforts already in progress will continue to be completed by the Managing Agency (TVWD). Approving new Resolutions of Need would still require WWSS Board approval.

Budget Impact:

There are no budgetary impacts from this action.

Staff Contact Information:

David Kraska, P.E.; Willamette Water Supply Program Director; 503-941-4561; david.kraska@tvwd.org
Clark Balfour, TVWD General Counsel; 503-848-3961; clark.balfour@tvwd.org

Attachments:

Proposed resolution

Willamette Water Supply System Commission

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RESOLUTION NO. WWSS-02-19

WILLAMETTE WATER SUPPLY COMMISSION

A RESOLUTION DELEGATING AND AFFIRMING THE AUTHORITY OF THE MANAGEMENT COMMITTEE AND THE MANAGING AGENCY PENDING FURTHER ACTION BY THE WILLAMETTE WATER SUPPLY COMMISSION.

WHEREAS, the Willamette Water Supply System Intergovernmental Agreement (Agreement) between Tualatin Valley Water District, the City of Hillsboro and the City of Beaverton (Members) became effective on July 1, 2019 and the Willamette Water Supply Commission (Commission) has been appointed by the governing body of each Member to exercise the powers and duties set forth in the Agreement; and,

WHEREAS, pursuant to the Agreement, each Member has designated a representative to the Management Committee and Tualatin Valley Water District is designated as the Managing Agency; and,

WHEREAS, the Commission recognizes that the Managing Agency will perform the functions and duties of the Commission through Managing Agency Staff and particularly through the existing Willamette Water Supply Program team; and,

WHEREAS, the Commission believes that delegation and affirmation of authority to the Management Committee and the Managing Agency is necessary and proper in order to allow the Managing Agency to take timely action between the initial meeting of the Commission until its next regular meeting on September 5, 2019 and being advised.

NOW, THEREFORE, BE IT RESOLVED BY THE WILLAMETTE WATER SUPPLY COMMISSION:

Section 1. The Management Committee is authorized to consider and approve any and all contracts, contract amendments, change orders or other modifications to consultant or contractor services in excess of \$500,000, regulatory agency permits, grant agreements, and other actions necessary to maintain the schedule of work pending Commission adoption of the Annual Work Plan.

Section 2. The Management Committee is authorized to consider and approve agreements for the following Ancillary Projects as provided under Section 5.5 and Exhibit 14 of the Agreement:

2.1 City of Beaverton pipeline from SW Nimbus/Scholls Ferry Road to SW Allen Boulevard, then to SW Western Avenue to SW Beaverton Hillsdale Highway.

2.2 City of Hillsboro pipeline along SW Cornelius Pass Road from NE Shaleen Street to NW Quatama Road. The Commission agrees to amend Exhibit 14 to include this Project as an Ancillary Project at the September 5, 2019 meeting.

Section 3. The Management Committee is authorized to consider and approve any Project Agreement, or amendment to an existing agreement, with the City of Wilsonville regarding the Raw Water Facilities Upgrade Project (RWF_1.0).

Section 4. Until the September 5, 2019 Commission meeting, the Commission reserves to itself, grants and delegates to the Managing Agency all rights and powers to (1) acquire real property interests by purchase, reservation, gift, devise or by eminent domain as the Managing Agency deems necessary

for the Willamette Water Supply System; and (2) dispose of real property interests as the Managing Agency deems necessary for the Willamette Water Supply System:

4.1 Resolutions of public need for acquisition of real property interests shall require Commission approval.

4.2 Acquisition of real property interests already underway shall be continued in the name of Tualatin Valley Water District and authority to acquire is delegated to the Tualatin Valley Water District Board of Commissioners. If the amount of the acquisition is \$150,000 or more, Management Committee approval is required while any lesser amount shall be approved by the Managing Agency.

4.3 The acquisition or disposal of any property interest related to the Water Treatment Plant property shall be done in the name of the Willamette Water Supply System and authority to conduct all transactions with respect to that property shall be delegated to the Management Committee.

Section 5. The Commission adopts the Local Contract Review Board Rules of the Managing Agency for all contracts and procurements for the Willamette Water Supply Commission until further action by the Commission.

Section 6. For approvals retained by the Board, the Willamette Water Supply Commission Chair is authorized to execute all documents necessary. For approvals delegated per this Resolution, the General Manager of the WWSS is authorized to execute all documents necessary to implement the provisions of this Resolution.

Approved and adopted at a regular meeting held on the 3rd day of July 2019.

Chair

Vice Chair

STAFF REPORT

To: WWSS Board of Commissioners
From: David Kraska, PE, Willamette Water Supply Program Director
Date: July 3, 2019
Subject: Resolution Establishing Fiscal Year 2019-20 Board Meeting Dates

Requested Action:

Consider adopting a resolution establishing regular quarterly meeting dates of the Board of Commissioners for fiscal year 2019-20.

Key Concepts:

This action will provide specific dates for monthly meetings of the Board to conduct Commission business (per Willamette Water Supply System (WWSS) Intergovernmental Agreement (IGA) Article 5.2).

Background:

To conduct regular business for the WWSS Commission, the Board of Commissioners needs to set regular business meeting dates. The IGA requires at least quarterly meetings per year and anticipates monthly meetings during the construction of the WWSS. The attached resolution establishes the dates of quarterly meetings for fiscal year 2019-20. The Board of Commissioners has the ability to meet more frequently as needed or to change meeting dates.

Budget Impact:

There are no budgetary impacts from this action.

Staff Contact Information:

David Kraska, PE; Willamette Water Supply Program Director; 503-941-4561; david.kraska@tvwd.org
Clark Balfour, TVWD General Counsel; 503-848-3961; clark.balfour@tvwd.org

Attachments:

Proposed resolution

Willamette Water Supply System Commission

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RESOLUTION NO. WWSS-03-19

A RESOLUTION ESTABLISHING REGULAR MONTHLY MEETING DATES OF THE WILLAMETTE WATER SUPPLY SYSTEM BOARD OF COMMISSIONERS FOR FISCAL YEAR 2019-20.

WHEREAS, **Article 5.2 of** the Willamette Water Supply System Intergovernmental Agreement requires the Board of Commissioners to generally meet monthly, but in no event less than quarterly; and,

WHEREAS, the Board of Commissioners wishes to set its regular meeting calendar by resolution, and being advised,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WILLAMETTE WATER SUPPLY SYSTEM COMMISSION:

Section 1: The regular meetings of the Commission shall be held on the following dates:

- July 3, 2019
- September 5, 2019
- October 3, 2019
- November 7, 2019
- December 5, 2019
- January 2, 2020
- February 6, 2020
- March 5, 2020
- April 2, 2020
- May 7, 2020
- June 4, 2020

Section 2: Regular meeting dates may be changed by a motion of the Board. Special meetings may be called by the Chair or by any two Commission members.

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

Section 4: All Commission meetings will be advertised as required and conducted in accordance with the Oregon Public Meetings law, ORS 192.610 to 192.710.

Approved and adopted at a regular meeting held on the 3rd day of July 2019.

_____, Chair

_____, Vice Chair