



Board Meeting Minutes Tuesday, February 13, 2018

WRWC Board Members or Alternates present:

John Goodhouse, WRWC Board Chair, Councilor – City of Tigard
Richard Burke, Board President, Tualatin Valley Water District (TVWD)
Lee Weislogel, Mayor – City of Sherwood
Frank Bubenik, Councilor – City of Tualatin

WRWC Member Staff present:

John Goodrich – City of Tigard
Mark Knudson – TVWD
Clark Balfour – TVWD
Paul Matthews – TVWD
Katherine Lipari DeSau – TVWD
David Kraska – Willamette Water Supply Program
Jeff Fuchs – City of Tualatin
Richard Sattler – City of Sherwood

Call to Order

Chair John Goodhouse called the meeting to order at 5:18 pm.

1. Review and Approval of Minutes of November 14, 2017 Board Meeting

Motion by Burke, second by Bubenik to approve the November 14, 2017 Willamette River Water Coalition (WRWC) Board meeting minutes. The motion passed unanimously.

2. Willamette Governance Group Update

Knudson provided an update of Willamette Governance Group (WGG) activities and partnerships. (See attached presentation.) He shared information about the Willamette Intake Facilities site, capacity allocations, Intergovernmental Agreement, organizational structure, administration, Purchase and Sale Agreements and next steps. If approved by all of the Parties, the anticipated effective date of the Willamette Intake Facilities Intergovernmental Agreement is April 6, 2018.

3. Willamette Basin Review Feasibility Study Update

Knudson presented an update on the Willamette Basin Review Feasibility Study. Concern was expressed since municipal and industrial entities were granted only 7.7% of the total 1,590,000 acre-feet of authorized water storage. Therefore, the Oregon Utility Council submitted a letter requesting an additional allocation from joint usage storage. Mr. Knudson stressed the importance of federal legislation to increase the allocation. The WRWC's portion of lobbying and technical support expenses is estimated at \$50,000. A proposal to fund this work will be presented at a future WRWC meeting.

Bubenik and Goodhouse requested a simplified, one-page summary of the key points to share with congressional representatives, prior to March 9th. Knudson agreed to create the desired document.

4. WRWC Website Maintenance Update and Proposal

Watson introduced herself as TVWD's Communications and Public Affairs Supervisor. She summarized TVWD's proposal to update the existing WRWC website. Following are the key points:

- Project goals include website modernization, simplification of the existing update process and accessibility.
- The WRWC website upgrade to be incorporated into TVWD's website redesign/vendor selection process.
- Estimated costs for the WRWC website redesign and launch are \$4,400.
- Up to 24 hours per year of website maintenance included in the current administrative services agreement.

Burke voiced his support for the proposal and emphasized the importance of control, accessibility and utilization of existing infrastructure.

Motion by Burke, second by Weislogel to adopt TVWD's Proposal to Provide Website Services to the Willamette River Water Coalition. The motion passed unanimously.

5. Unaudited Financial Report for the Second Quarter of the Fiscal Year Ending June 30, 2018

Matthews provided an overview of the second quarterly financial report for fiscal year ending June 30, 2018. (See attached presentation.) Following are key highlights:

- Expenditures were under budget.
- Fund balance utilization continues.
- Dues will be sent next week in the amount of \$8,000.

6. Proposed WRWC Annual Work Plan for FY 2018-19

Matthews presented the proposed FY 2018-2019 Annual Work Plan. (See attached presentation.) Since the Board adopted the website proposal, Matthews highlighted the proposed alternative budget totaling \$95,400. Matthews noted that the budget balances resources and requirements. Operating expenses include TVWD's managing agency fee (\$2,000 per month) and \$2,000 to restate the Intergovernmental Agreement.

Motion by Burke, second by Weislogel to adopt the Alternative WRWC Work Plan and Budget for the fiscal year ending June 30, 2019. The motion passed unanimously.

7. Member Updates/Announcements

Weislogel shared that he is currently fulfilling the role of interim Mayor for the City of Sherwood. A vote will take place later this month to elect a new mayor whose term will commence March 13th. He expressed appreciation for the WRWC's work.

Burke commented on the work currently being done in the areas of water partnership and regional planning.

8. Public Comment

No public was present at today's meeting.

9. Adjournment

Motion by Bubenik, second by Weislogel to adjourn the meeting at 6:03 pm. The motion passed unanimously.

Willamette Governance Group Update

Willamette River Water Coalition Meeting
February 13, 2018

Delivering the Best Water  Service  Value

WGG Update to WRWC *Presentation Overview*

- WGG background
- Willamette Intake Facilities
- WIF Intergovernmental Agreement
- WIF IGA & PSA Approval Schedule
- Additional Work Currently Underway

Delivering the Best Water  Service  Value

2

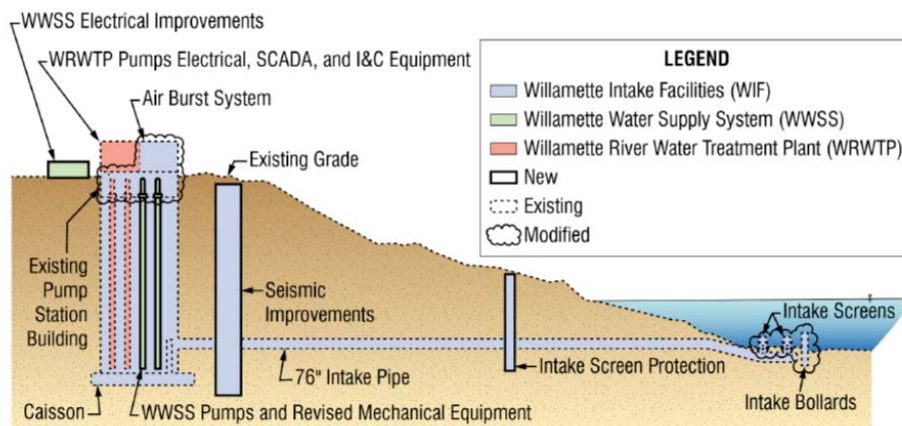
WGG Background

Relationship to WRWC

- **Willamette River Water Coalition (WRWC)**
 - Administration of existing 130 MGD water right
 - Sherwood, Tigard, Tualatin & TVWD
- **Willamette Governance Group (WGG)**
 - New IGAs for planning, design, construction, operation & administration of Willamette supply
 - Sherwood, Tigard & TVWD (not Tualatin)
 - Wilsonville, Hillsboro & Beaverton
- **Willamette Water Supply Program (WWSP)**
 - Partnership of TVWD & Hillsboro

Willamette Intake Facilities

Partnership of TVWD, Sherwood, Tigard, Wilsonville, Hillsboro & Beaverton



Willamette Intake Facilities *Capacity Allocations*

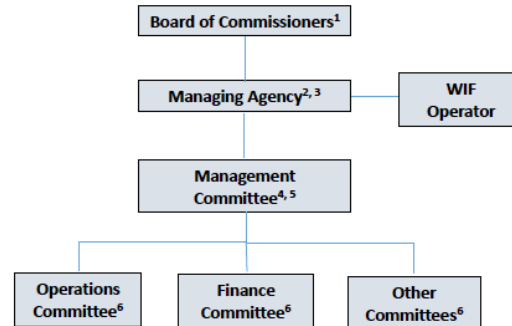
Organization	Capacity (MGD)	Capacity Share (%)
Wilsonville	25.0	16.7%
TVWD	59.1	39.4%
Sherwood	9.7	6.5%
Tigard	15.0	10.0%
Hillsboro	36.2	24.1%
Beaverton	5.0	3.3%
Total	150.0	100.0%

Willamette Intake Facilities *Intergovernmental Agreement ... Scope*

- Shared ownership of existing intake
- Creation of WIF Commission Board
 - One representative from each partner
 - One representative - one vote per partner
 - Most decisions require approval by 5 of 6
- Water Rights
- Operations Plan
- Leasing
- Commitment to make improvements to 150 mgd

Willamette Intake Facilities

Commission Organizational Structure



Notes:

1. Appointed by governing bodies of each Party
2. Provides its and Management Committee's recommendations to Board
3. Provides support to and consults with all committees
4. Provides recommendations to Managing Agency to be forwarded to the Board
5. Serve as liaisons to Parties' governing bodies
6. Provides recommendations to Management Committee

7

Willamette Intake Facilities

Managing Agency and Administration

- Assignment of duties for Managing Agency
 - Financial management
 - Annual budget schedule
 - Annual work plan
 - Interim financial procedures
- Committees to provide oversight & coordination
 - Management Committee
 - Operations Committee
 - Finance Committee
- Assignment of duties for facility operation

8

Willamette Intake Facilities

Intergovernmental Agreement ... Details

- Overuse & Remedies for Overuse
- Expansion & Capital Improvements
- Sale of Water to Non-Members
- Withdrawal & Sale of Interest
- Admission of New Municipal Parties
- Indemnity
- Default
- Remedies
- Dispute Resolution

Willamette Intake Facilities

Purchase and Sale Agreements with TVWD

Organization	Capacity Purchase from TVWD (\$)	Permitting, Screen & Seismic (\$)	Total Investment (\$)
Wilsonville	\$ 0	\$ 125,000	\$ 125,000
TVWD	\$ 0	\$ 5,836,245	\$ 5,836,245
Sherwood	\$ 238,443	\$ 842,847	\$ 1,081,290
Tigard	\$ 750,239	\$ 2,258,783	\$ 3,009,022
Hillsboro	\$ 1,810,577	\$ 5,451,197	\$ 7,261,774
Beaverton	\$ 250,080	\$ 752,928	\$ 1,003,008
Total	\$ 3,049,339	\$ 15,267,000	\$ 18,316,339

WIF IGA & PSAs – Bringing It In For A Landing

Approval Schedule & Next Steps

Organization	Other	First Reading	Second Reading
Wilsonville		February 5, 2018	February 22, 2018
TVWD		January 17, 2018	February 21, 2018
Sherwood *		February 6, 2018	February 20, 2018
Tigard *			February 13, 2018
Hillsboro *	UC: Jan 26, 2018	February 6, 2018	February 20, 2018
Beaverton *	February 6, 2018	February 13, 2018	February 20, 2018

Effective Date of WIF IGA – April 6, 2018

*** Purchase and Sale Agreement with TVWD**

Willamette Intake Facilities

Work Currently Underway

- Preparing WIF Commission Managing Agency Work Plan for FY 18-19
- Preparing WIF Commission Budget for FY 18-19
- Partner agencies identifying Board members
- Planning first WIF Commission Board meeting for April 2018

Willamette River Water Coalition Meeting
February 13, 2018

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Willamette Basin Review Feasibility Study

Jim Meierotto
Outreach and Engagement Coordinator

Willamette River Water Coalition Board Meeting
February 13, 2018

Tualatin Valley Water District

Delivering the Best Water  Service  Value

Background

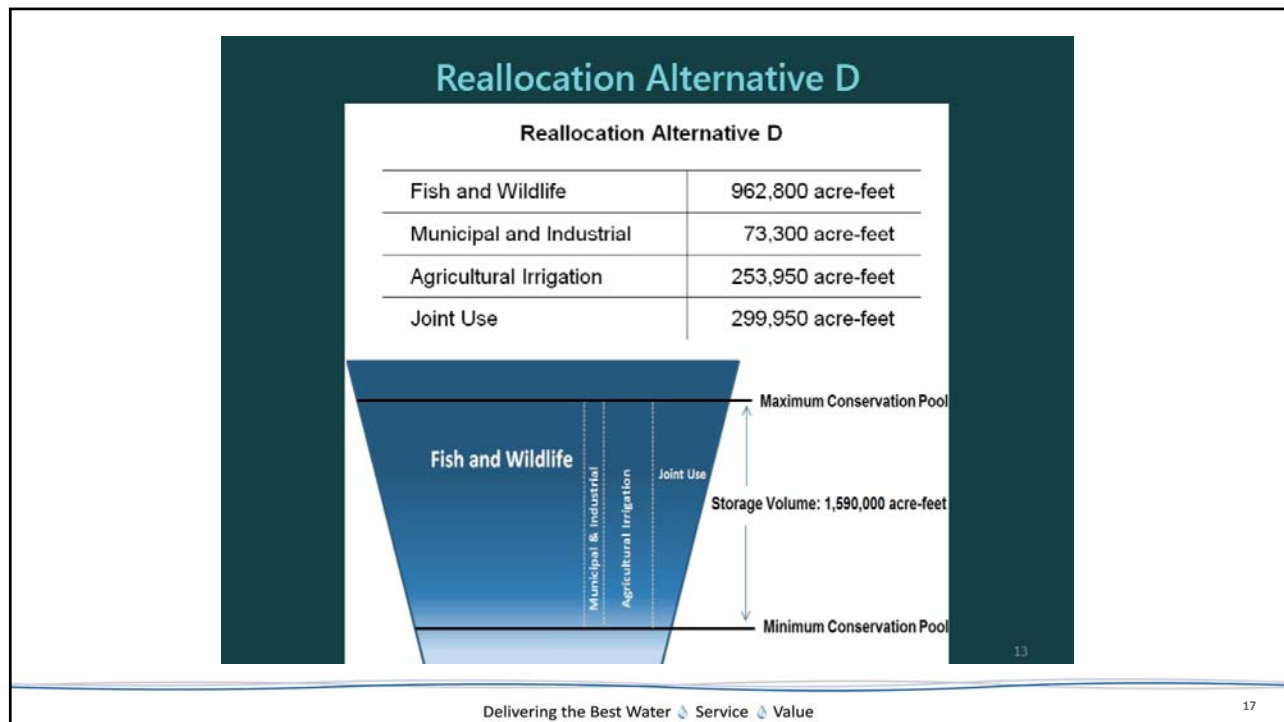
- 13 reservoirs
(1.64 M acre-feet legally stored)
- Flood control a primary purpose
- 5 percent is contracted to irrigation
- Stored water released for fish & wildlife benefits



Estimating Demands for Stored Water

Peak Season Demands for 2070

Allocation Use Category	Peak Demands (acre-feet)	Portion of Total (percent)
Fish & Wildlife	1,590,000	76.5
Municipal & Industrial	159,750	7.7
Agricultural Irrigation	327,650	15.8
Total	2,077,400	100.0



Public Comment

- Public Comment began in November and concluded on December 28
- Oregon Water Utilities Council submitted public comments. (See the attached letter)
 - OWUC is asking for additional allocation from the joint use pool
 - OWUC is seeking a reduction in the acre foot cost of water
- We need to stay actively involved in the reallocation efforts to be sure that existing water rights are not impaired.

OWUC Will Require Support for Federal Legislation

- Reallocation effort will require federal legislation with opportunity (need) to advocate for a “better” preferred option
- Goals:
 - Change or implement federal legislation to get allocate more water from the joint use pool to municipal and industry users
 - Enhance the reliability and protection of existing M&I water rights
 - Lower the cost per acre foot of water
- COE scheduled to complete feasibility study phase by August 18, 2018
- Significant effort required to encourage adoption of a “better” preferred option
- Uncertain outcome at this time

Next Steps

- Oregon Water Utility Council Willamette Subcommittee has distributed a proposal for continuation and expansion of work for M&I interests
 - Technical support and coordination for M&I water rights and demands
 - Advocacy for federal legislation for a “better” preferred option
- Total proposed budget for technical support and advocacy is \$160,000
 - Costs allocated to all OWUC Subcommittee members based on capacity of existing water rights
 - WRWC’s share is \$50,000 – included in WRWC Draft Work Plan and Budget
- Anticipate an IGA, MOU or work plan for final approval by WRWC Board
 - Final scope of work, budget and cost allocations to Subcommittee members
 - Authorize WRWC participation and funding



Tualatin Valley Water District

Updating Website Presence for WRWC – February 13, 2018

RFP Selection Process at TVWD

- ❖ Develop project charter, identify stakeholders
- ❖ Identify functional/technical requirements, web vendor evaluation team, proposal scoring criteria
- ❖ Develop, issue RFP for web design and hosting
- ❖ Review and select vendor
- ❖ Negotiate, finalize contract/purchase agreement(s)
- ❖ Develop implementation schedule



Project goals/outcomes

- ❖ Modernize the look/feel of the WRWC website
- ❖ Provide simple and clear content management that requires minimal training to generate appealing content
- ❖ Better serve the WRWC web needs
- ❖ Comply with current regulations for records retention and accessibility in the digital space
- ❖ Reduce the costs for website services
- ❖ Engage stakeholders to provide input to assure website meets needs of users



Design process

- ❖ TVWD to provide up to six hours of staff time as part of administrative services agreement
- ❖ Survey WRWC members for website needs
- ❖ Ask WRWC members for the preferred look of website
- ❖ Work with TVWD website vendor to generate possible Designs
- ❖ Select preferred Design
- ❖ BUILD website/LAUNCH website



Unaudited Financial Report for the Second Quarter

Willamette River Water Coalition

WRWC Board Meeting

February 13, 2017



Tonight's Information

Quarterly Financial Report

- Results through 12/31/2017
- Upcoming dues

Fiscal Year 2018-19 Proposed Budget

- Proposed expenditures
- Proposed dues

Quarterly Financial Report

Key Findings

- Expenditures under budget
- Fund balance is falling
- Projected expenditures could be \$8,000 for remaining fiscal year
- Dues of \$8,000 should be adequate for FY2018



Willamette River Water Coalition
For the annual budget period ending June 30, 2018
For the quarter ending December 31, 2017

Activity for the Quarter			Unaudited		Annual				
Budget	Actual	Variance	Resources	Annual Budget	Budget To date	Actual	Variance	Remaining Budget	
\$ 8,800	\$ -	\$ (8,800)	Revenues	\$ 44,000	\$ 35,169	\$ -	(\$ 3,169)	\$ 44,000	
69	45	(24)	Dues by TVWD & other members	278	140	59	(81)	219	
8,869	45	(8,824)	Interest on investments	44,278	35,309	59	(35,250)	44,219	
35,115	18,088	(17,027)	Total Revenues	21,243	21,243	24,074	2,831	(2,831)	
43,984	18,133	(25,851)	Beginning Fund Balance	65,521	56,552	24,133	(32,419)	41,388	
			Total Resources						
			Requirements						
6,500	6,000	500	Materials and Services:	26,000	13,006	12,000	1,006	14,000	
632	3,448	(2,816)	7000 - Operating Expenses	8,500	1,810	3,448	(1,638)	5,052	
147	447	(300)	7310 - Professional Services	2,500	392	447	(55)	2,053	
-	-	-	7330 - Business Expense	2,000	2,000	-	2,000	2,000	
425	-	425	7360 - Other Sundry	2,000	2,000	-	2,000	2,000	
			7440 - Water Quality	3,000	1,064	-	1,064	3,000	
			7450 - Public information						
7,704	9,896	(2,192)	Total Expenditures	44,000	20,272	15,896	4,376	28,104	
-	-	-	Contingency	6,600	-	-	-	6,600	
7,704	9,896	(2,192)	Total Expenditures & Contingency	50,600	20,272	15,896	4,376	34,704	
36,280	8,238	28,042	Ending Fund Balance	14,921	36,280	8,238	28,042	6,683	
43,984	18,133	25,851	Total Requirements	65,521	56,552	24,133	32,419	41,388	

These statements unaudited and are preliminary for fiscal year ending June 30, 2018.

Projected FY2018 Dues by Member

Member	Based on Number of Meters		Based on Equal Share		Weighted Percentage	FY2018 Estimated Dues
	Water Meters	Percent	Members	Percentage		
Sherwood	5,854	6.2%	1	25.0%	15.6%	\$1,250
Tigard	19,020	20.3%	1	25.0%	22.6%	1,811
Tualatin	6,906	7.4%	1	25.0%	16.2%	1,295
TVWD	62,010	66.1%	1	25.0%	45.6%	3,645
Total	93,790	100.0%	4	100.0%	100.0%	\$8,000

Questions and Answers

Unaudited Financial Report for the Second Quarter

WRWC Board Meeting

February 13, 2017



Proposed Annual Work Plan and Budget for FY 2018-19

Willamette River Water Coalition

WRWC Board Meeting

February 13, 2017



Proposed FY2019 Work Plan and Budget

Key Points

- Moves restatement of the WRWC IGA from FY2018 to FY2019
- Includes \$50,000 to fund the Willamette Basin Review Feasibility Study
- Anticipates dues rather than reductions in fund balances
- Two alternatives
 - Baseline: Without public website
 - Alternative: Includes TVWD's proposal to provide public website

Baseline Work Plan and Budget

Description	FY2017 Actual	2018 Adopted Budget	FY2019 Proposed
General Administrative Costs			
Operating Expense	\$36,000	\$26,000	\$26,000
Professional Services	113,435	5,000	55,000
Business Expense	6,591	2,500	2,500
Other Sundry	0	2,000	2,000
Water Quality	0	2,000	2,000
External Audit	3,150	3,500	3,500
Public Information	500	3,000	0
Total	\$159,676	\$44,000	\$91,000

Description	FY2019 Proposed
Resources	
Beginning Fund Balance	\$5,000
Dues	91,000
Interest Earnings	0
Total Resources	\$96,000
Requirements	
Personnel Services	\$0
Materials and Services	91,000
Other	0
Contingency	0
Ending Fund Balance	5,000
Total Requirements	\$96,000

FY2019 Dues for Baseline Work Plan and Budget

Member	Based on Number of Meters		Based on Equal Share		Weighted Percentage	FY2018 Estimated Dues
	Water Meters	Percent	Members	Percentage		
Sherwood	5,865	6.2%	1	25.0%	15.6%	\$14,188
Tigard	19,476	20.5%	1	25.0%	22.8%	20,716
Tualatin	6,912	7.3%	1	25.0%	16.1%	14,690
TVWD	62,612	66.0%	1	25.0%	45.5%	41,406
Total	94,865	100.0%	4	100.0%	100.0%	\$91,000

Alternative Work Plan and Budget

Description	FY2017 Actual	2018 Adopted Budget	FY2019 Proposed
General Administrative Costs			
Operating Expense	\$36,000	\$26,000	\$26,000
Professional Services	113,435	5,000	55,000
Business Expense	6,591	2,500	2,500
Other Sundry	0	2,000	2,000
Water Quality	0	2,000	2,000
External Audit	3,150	3,500	3,500
Public Information	500	3,000	4,400
Total	\$159,676	\$44,000	\$95,400

Description	FY2019 Proposed
Resources	
Beginning Fund Balance	\$5,000
Dues	95,400
Interest Earnings	0
Total Resources	\$100,400
Requirements	
Personnel Services	\$0
Materials and Services	95,400
Other	0
Contingency	0
Ending Fund Balance	5,000
Total Requirements	\$100,400

FY2019 Dues for Alternative Work Plan and Budget

Member	Based on Number of Meters		Based on Equal Share		Weighted Percentage	FY2018 Estimated Dues
	Water Meters	Percent	Members	Percentage		
Sherwood	5,865	6.2%	1	25.0%	15.6%	\$14,874
Tigard	19,476	20.5%	1	25.0%	22.8%	21,718
Tualatin	6,912	7.3%	1	25.0%	16.1%	15,400
TVWD	62,612	66.0%	1	25.0%	45.5%	43,408
Total	94,865	100.0%	4	100.0%	100.0%	\$95,400

Staff Recommendation

Approve by motion:

- The WRWC Baseline Work Plan and Budget as presented for Fiscal Year ending June 30, 2019, or
- The WRWC Alternative Work Plan and Budget as presented for Fiscal Year ending June 30, 2019



Questions and Answers

Proposed Annual Work Plan and Budget for FY 2018-19

WRWC Board Meeting

February 13, 2017

