

Willamette Intake Facilities Commission
Board Meeting Minutes
Monday, April 29, 2019

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

REGULAR SESSION – 6:00 PM

CALL TO ORDER

Chairman Godsey called the meeting to order at 6:00 pm, followed by attendee introductions.

Commissioners present:

Tualatin Valley Water District (TVWD): Dick Schmidt (Alternate)
Beaverton: Marc San Soucie
Hillsboro: John Godsey (Chair)
Sherwood: Sean Garland (Vice Chair)
Tigard: John Goodhouse
Wilsonville: Kristin Akervall (Alternate)

Committee Members present:

TVWD: Mark Knudson, Management Committee
Paul Matthews, Finance Committee
Pete Boone, Operations Committee (Alternate)
Beaverton: David Donaldson, Management Committee
Hillsboro: Kevin Hanway, Management Committee
Niki Iverson, Management Committee (Alternate)
Sherwood: Amy Jollett for Craig Sheldon, Management Committee
Tigard: Brian Rager, Management Committee

Managing Agency Staff present:

Dave Kraska, Willamette Water Supply Program (WWSP) Director/WIF Commission General Manager
Joelle Bennett, WWSP Assistant Director
Justin Carlton, WWSP Finance and Administration Supervisor
Joel Cary, TVWD Water Resources Division Manager
Faye Branton, WWSP Administrative Assistant/WIF Commission Recorder
Mark McConnell, TVWD Facilities Department

Other Attendees:

Adam Sussman, GSI Water Solutions, Inc.

1. GENERAL MANAGER'S REPORT

Mr. Kraska introduced Mr. Balfour, who presented a Safety Minute on Work Zone Traffic Control.

Mr. Kraska presented the General Manager's report, which included an update to agenda packet review procedures, delivery of the (calendar) Q1 2019 financial report, a Raw Water Facilities project update, and an update on activities related to coordination with Kinder Morgan.

2. PUBLIC COMMENT

There were no public comments.

3. CONSENT AGENDA

- A. Approve the January 28, 2019 meeting minutes.

Motion was made by San Soucie, seconded by Garland, to approve the consent agenda as presented. The motion passed unanimously with Ackervall, Garland, Godsey, Goodhouse, San Soucie, and Schmidt voting in favor.

4. BUSINESS AGENDA

- A. Approve FY19-20 WIF Annual Work Plan and Budget. *Staff Report – Dave Kraska*

Mr. Kraska briefed the Board regarding the preparation and review process of the Annual Work Plan and Budget and pointed out changes in the FY19-20 budget compared to the previous fiscal year. Most of the anticipated spend in FY19-20 is due to design and construction preparation activities.

In response to Commissioner's question, no threshold has been identified for requiring Board approval to use contingency dollars. The contingency will be a separate appropriations category, which will require Board action to transfer that appropriation to either materials and services or capital outlay before the contingency can be used.

In response to Commissioner's question, staff replied the numbers, including rates for administrative staff hours, presently in the budget documents are estimates. There are three components to the hourly rate. 1) The raw rate will be determined by TVWD's pay-for-performance process, which will culminate in new hourly rates on July 1. 2) The labor burden rate covers items such as benefits. At TVWD, vacation and sick leave are considered part of the benefits as opposed to part of the hours. That is included in the labor burden rate, which is about 70% of raw salary. TVWD will re-estimate that as it completes its budget process and has a better sense of the cost of the various components. 3) Indirect costs comprise the third component. As a special district with one enterprise fund, rather than having an indirect cost allocation plan, TVWD calculates an indirect cost number that is added to direct labor to recover indirect costs. TVWD does not charge a separate indirect cost fee. All of these costs are passed through on the hourly rate, which is approximately 43% at the present time.

TVWD will repeat last year's process and provide the WIF Finance Committee members with the technical budget details for their evaluation. These numbers are estimates until the TVWD budget is finalized.

Motion was made by San Soucie, seconded by Goodhouse, to adopt the budget resolution as presented. The motion passed unanimously with Ackervall, Garland, Godsey, Goodhouse, San Soucie, and Schmidt voting in favor.

- B. Approve FY19-20 WIF Board Meeting Schedule. *Staff Report – Dave Kraska*

Motion was made by Goodhouse, seconded by Garland, to adopt the FY19-20 WIF Board meeting schedule resolution as presented. The motion passed unanimously with Ackervall, Garland, Godsey, Goodhouse, San Soucie, and Schmidt voting in favor.

5. INFORMATION ITEMS

- A. Willamette Reallocation Update – *Adam Sussman, GSI Water Solutions, Inc.*

Ms. Iverson introduced the Willamette Reallocation topic, briefly providing background regarding her involvement with the Oregon Water Utilities Council, the Council’s purpose in following the Willamette Basin Project for a number of years, and the service GSI Water Solutions, Inc. is providing in the reallocation effort.

Ms. Iverson then introduced Adam Sussman of GSI Water Solutions, Inc., who presented the history, progression, and next steps of the Willamette Basin Project. (See [attached presentation.](#))

- B. Legislative Update – *Joel Cary, TVWD*

Mr. Cary provided an overview of the key bills introduced during the 2019 Oregon Legislative Session that could affect drinking water providers, including a summary of bills: HB 2001, HB 5017, HB 3326, SB 27, SB 51, and SB 935. He presented a timeline and updates regarding bills of particular interest to the WIF and the Managing Agency’s activities in working with the legislature. The State’s budget forecast is expected to be released May 15, which will give an indication of which bills will move forward, as well as funding. (See [attached presentation.](#))

In answer to Commissioner’s question, staff replied that the SDC language was stripped from HB 2001. (HB 2001 summary: Delays SDC charges until “issuance of an occupancy permit”)

- C. The next Board meeting is scheduled on July 29, 2019, at Tualatin Valley Water District – Board Room.

6. COMMUNICATIONS AND NON-AGENDA ITEMS

- A. None scheduled.

ADJOURNMENT

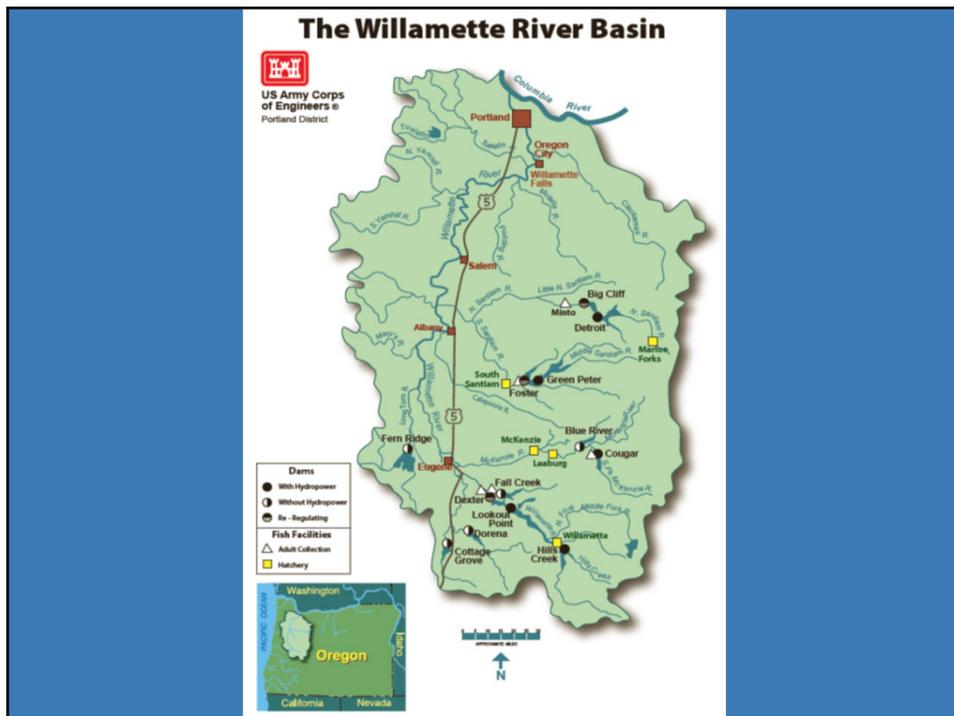
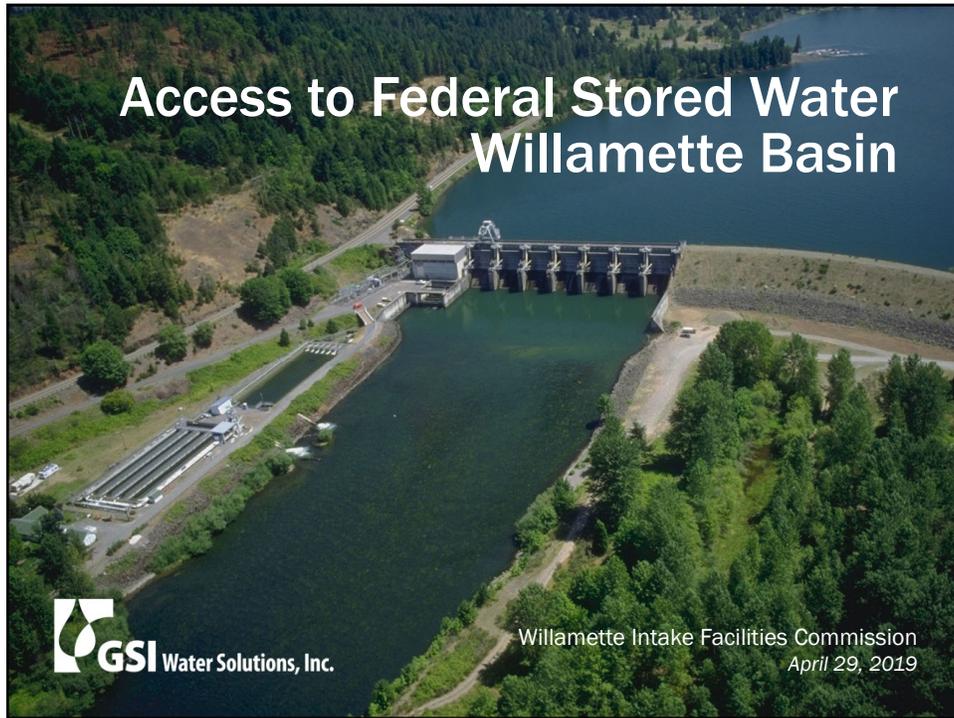
There being no further questions or business, Chairman Godsey adjourned the meeting at 6:57 p.m.

John Godsey, Chair

Sean Garland, Vice Chair

Willamette Intake Facilities Commission

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Willamette Basin Project Overview

- **13 Reservoirs**
 - 1,640,000 Acre-Feet of storage
- **Congressional authorization - 1938/1950** for numerous purposes, including:
 - Irrigation, flood control, navigation, hydropower, pollution abatement, municipal water supply

Willamette Basin Project Overview

- **1954/1968** – USBOR filed water right applications
- **1996** – Storage certificates issued to USBOR
- **Water Rights: store water for irrigation use only**

Access to Stored Water Issues

- Storage water rights - irrigation only
- Storage space not allocated***
- Cost of water/contracting program

Why Are Water Providers Interested?

- Responsibility to serve growing communities
- Facing limited future water supply options
- Conditions on existing permits
- Currently unable to access federal storage water in Willamette Basin projects





Seeking Access to Stored Water *Long Process, Few Results*

- **1994: Reservation Request**
- **1996: Willamette Basin Reservoir Study**
- **2000: Study put on hold due to ESA listing**
- **2008: SWMWP Report**
- **2008: Biological Opinion (Bi-Op) issued**

Study Timelines

- August 2015: Cost Share Agreement signed
- July 2017: Tentatively Selected Plan
- November 2017: Draft Feasibility Report
- January 2018: Public comment ends
- May 14, 2018: State Agency Position Letter
- September 2018: Recommended Plan

Recommended Plan For Reallocation

Use	USACE's Tentatively Selected Plan Alternative D November 2017		USACE Agency Recommended Plan Alternative C September 2018	
	Volume (AF)	Percent	Volume (AF)	Percent
F&W:	962,800	60%	1,102,600	69%
M&I:	73,300	5%	159,750	10%
AI:	253,950	16%	327,650	21%
Joint Use:	299,950	19%	0	0%

Willamette Instream Flow Demand

WBR Demand analysis currently applying NMFS' 2008 Willamette Project Biological Opinion flow targets

An interdisciplinary technical team was convened to review and consider refinements to the 2008 BiOp targets

Interdisciplinary Team:

Hydrologists

Geomorphologists

Water quality modelers

Ecologists

Managers

Stakeholders

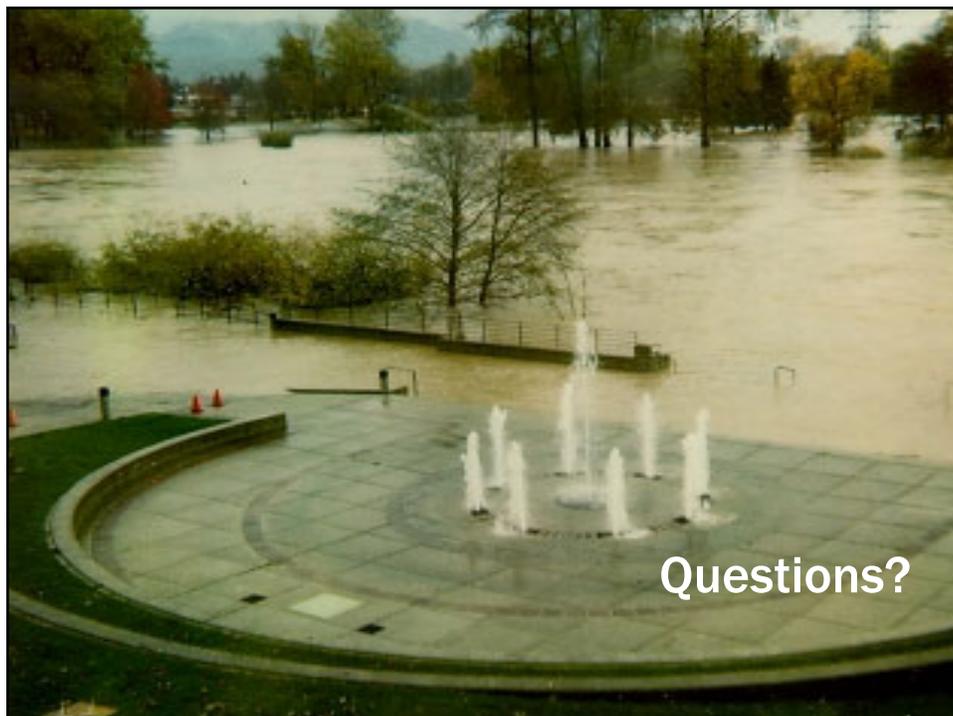


Next Steps

- Complete ESA Consultation process
- 30-day State and Agency Review
- Chief's Report targeted for November 2019
- Office of Management and Budget
- House Transportation and Infrastructure Committee (WRDA)

Current Focus of OWUC

- Monitor consultation process and “reasonable and prudent measures”
- Support Alternative C
- Resolve storage water right transfer issue
- Explore strategies to reduce cost of stored water for M&I use
- Collaborate on implementation strategy



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2019 Oregon Legislative Session

Review of WIF Managing Agency Engagement

Joel Cary
TVWD Water Resources Division Manager

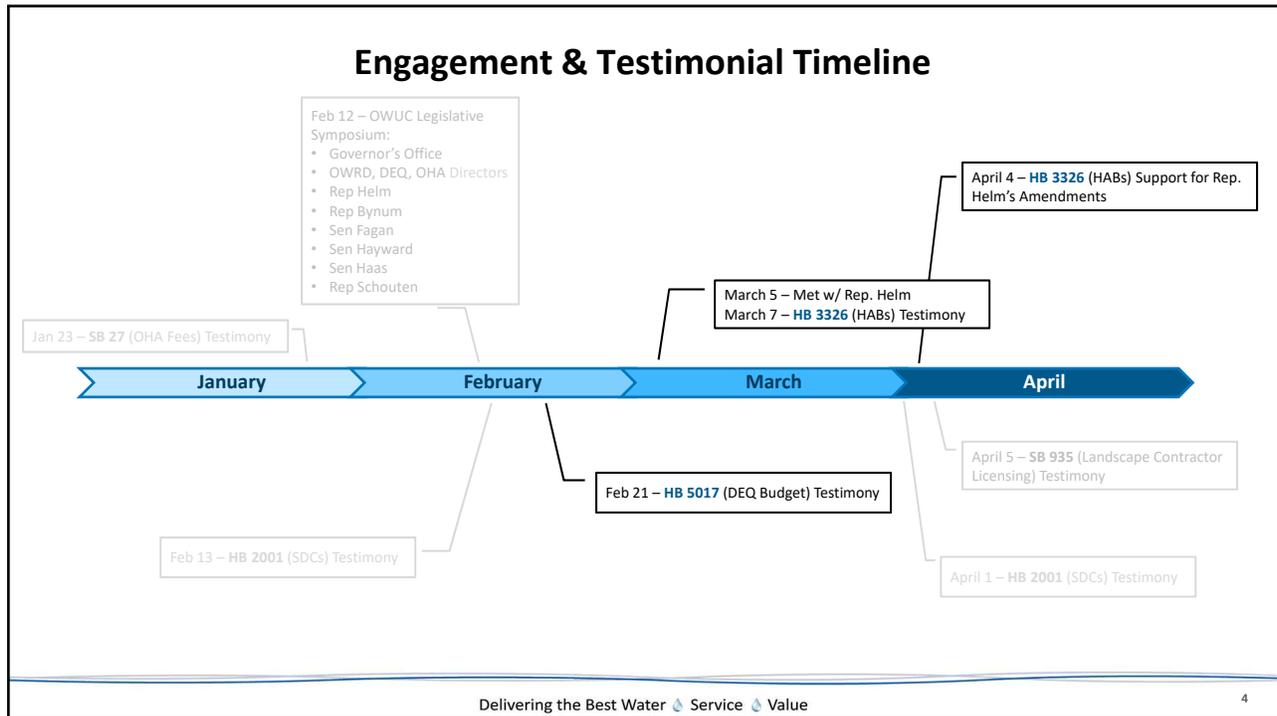
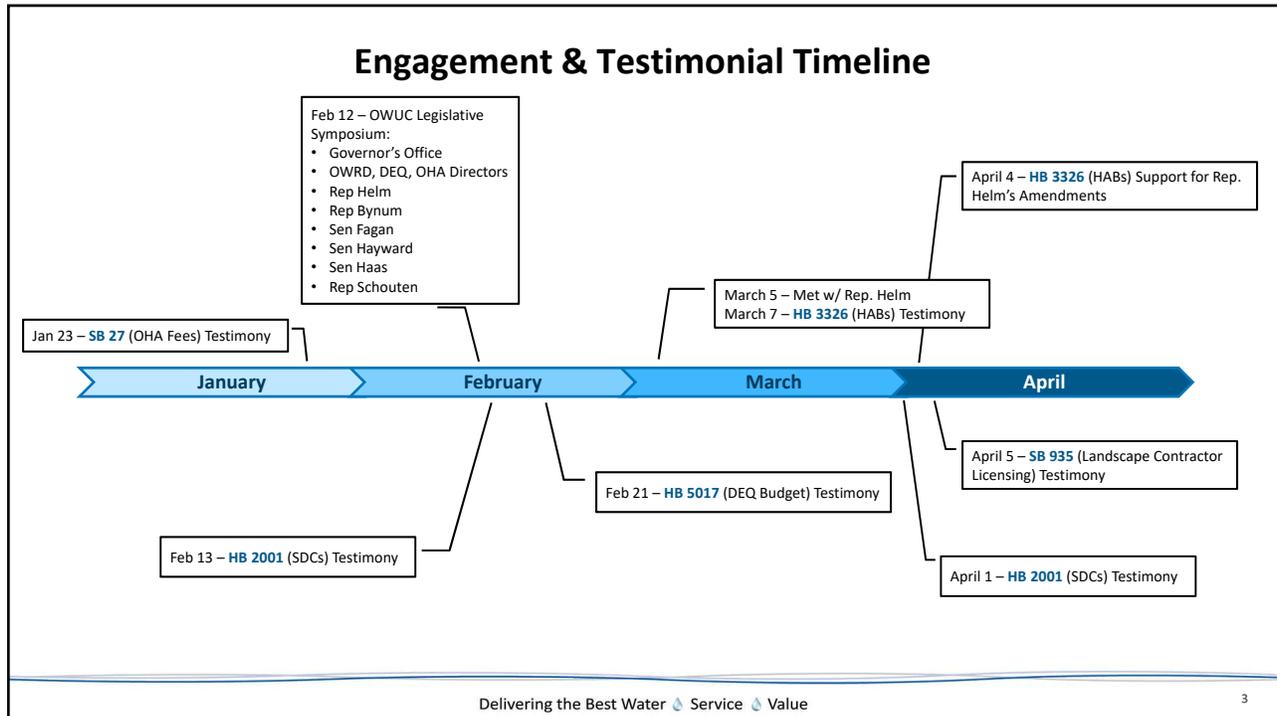
Tualatin Valley Water District

 Delivering the Best Water  Service  Value

Key Bill Summary



- **HB 2001** – Delays SDC charges until “issuance of an occupancy permit”
- **HB 5017** – Oregon DEQ budget lacks lab funding for cyanotoxin testing
- **HB 3326** – DEQ lab funding, HAB position at OHA
- **SB 27** – Imposes new fee on public water systems
- **SB 51** – Provides OWRD authority to change “type of use” for stored water rights
- **SB 935** – Modifies landscape construction professional license



Next Steps – Engagement & Legislative Process

- **HB 3326** – Supporting, Moving to Ways and Means Committee, then House Floor
- Tracking additional House and Senate Bill
 - **SB 51** – Character (i.e., type) of use



Questions?

Thank you

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