

2016 Annual Report



Tualatin Valley Water District



Delivering the Best Water 💧 Service 💧 Value

Delivering the best Water

Water Quality Testing

No matter which one of our sources your water comes from, TVWD provides safe, quality water to your tap. Through regular and rigorous testing, TVWD's Water Quality staff ensure that water throughout the distribution system is in compliance with regulatory standards from the Oregon Health Authority Drinking Water Program and U.S. Environmental Protection Agency (EPA). The District's water supply is tested for approximately 200 contaminants, with sampling conducted at more than 120 locations throughout the District. Test results are submitted to the Oregon Health Authority.

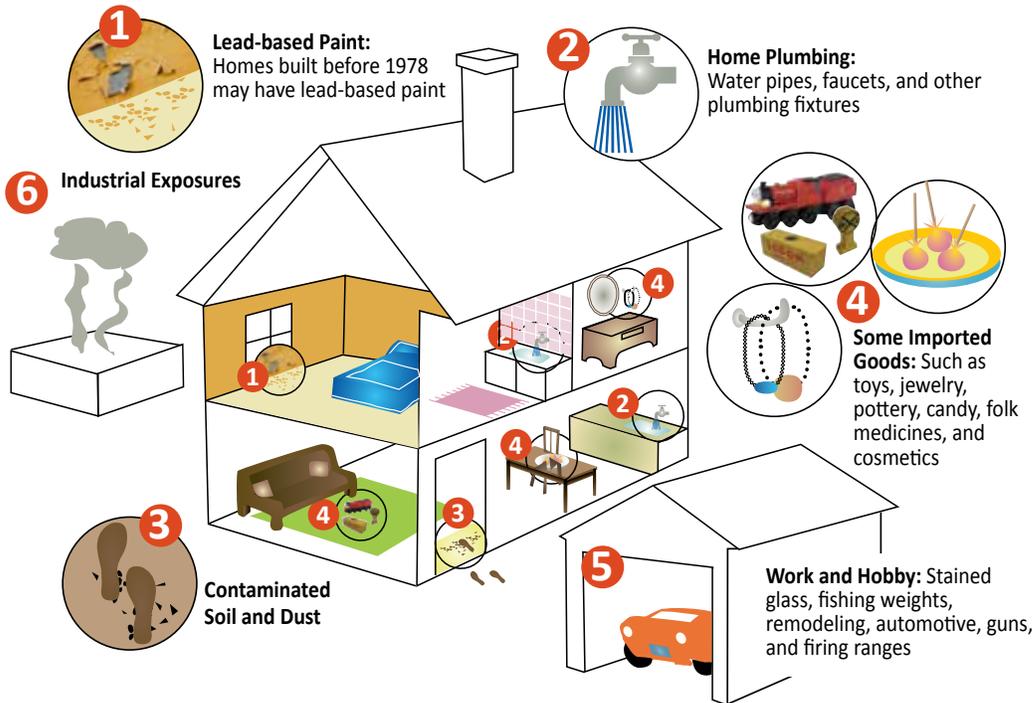
WQ Samples
More than
5,250 taken
NO VIOLATIONS

Lead and Your Water

TVWD has been in compliance with the Lead and Copper Rule since inception of the rule in 1991. The TVWD water distribution system contains no lead service lines. For this past fiscal year, TVWD's compliance with the Lead and Copper Rule was based on water samples collected as part of the regional Joint Monitoring Program (JMP). The Joint Monitoring Program, approved by the Oregon Health Authority, is a collaborative effort by water systems in the Portland-metropolitan region to test homes known to have plumbing with lead solder. Public education and free residential water testing are included in this program.

TVWD is a member of the JMP because Portland's Bull Run source is known to be more aggressive than water from Barney Reservoir or the Willamette River, and contributes to the possibility of lead leaching from plumbing and fixtures inside some homes. Lead test results from the program are aggregated with all the participating water agencies and reported to the state as a single, combined set of data. Therefore, elevated results from one water supplier count against everyone participating. Since 1999, individual results from homes in the TVWD service area that are sampled as part of the JMP have been well below the EPA action level for lead. In contrast, aggregated lead results from throughout the region have occasionally been at or slightly above the action level.

Sources of Lead in Our Homes



TVWD Leaving Joint Monitoring Program

In April 2016, the TVWD Board of Commissioners made the decision to withdraw from the JMP and implement an expanded lead and copper monitoring program in 2017. This expanded, TVWD-only lead and copper program will increase the transparency of monitoring results and enhance accountability to customers. Lead and copper monitoring, customer education and access to free lead sampling kits will continue to be a priority.

More information about lead and TVWD's drinking water can be found at tvwd.org/lead.

Steps You Can Take to Reduce Lead in Your Water



Delivering the best Service

Field Operations Keep the Water Flowing

TVWD's field crews are dedicated to keeping the water distribution system functioning properly. To get from the source to the tap, water goes through treatment, pipelines, valves, pump stations, reservoirs, and more pipelines before it reaches homes and businesses. In addition, we regularly respond to leaks (day or night, every day of the year), flush the water system (to enhance water quality), and manage water storage and distribution throughout the District. Our crews work hard to make sure that water is available when you need it while minimizing inconveniences to customers.



Staff repair a water main leak near SW 175th Ave. and Kemmer Road.

5,542

Fire Hydrants



7

Fire Stations in District



782

Miles of Pipe



Leaks Fixed



94 Mainline

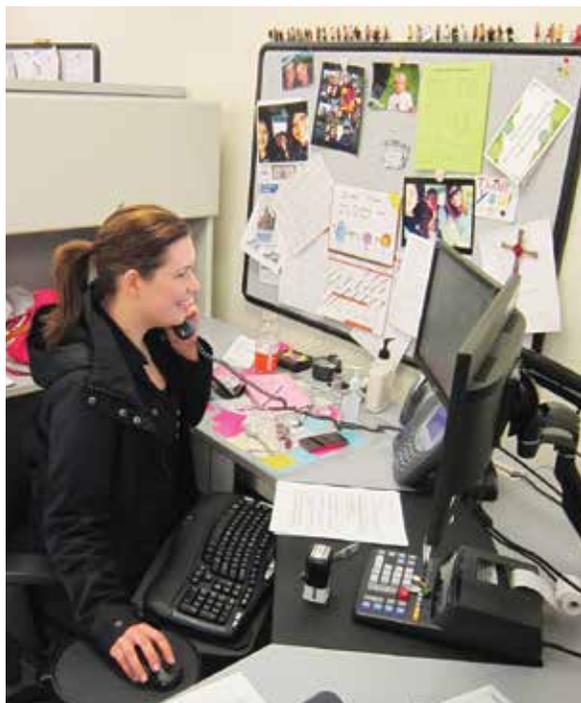


62 Service

Customer Service at Your Call

Whether in the office, on the phone, or out in the field, the primary goal of TVWD's Customer Service Department is to make every interaction with customers a positive one. Customer service office staff manage more than 62,500 customer accounts. Representatives assist customers with new accounts, finalize accounts when customers move, and assist customers with other concerns, such as leaks, low water pressure and questions about high water bills.

Field Customer Service representatives work throughout the District, responding to customer needs in person. This includes turning meters on and off, reading the meters for billing and investigating and assisting customers with a variety of service problems. This can vary from troubleshooting water bills and assisting with leak detection to maintaining and replacing water meters.



A customer service representative helps a customer with their water account.



Phone Payments Made



Delivering the best Service



7,107

Students Reached



364

Classes Reached



236

Presentations Made



23

Outreach Events

Outreach: *Youth Education and Community Events*

TVWD believes that an informed public is key in making sure customers have confidence in their water supply. Whether it's an update on the Willamette Water Supply Program in the *Water Words* newsletter, guiding a class of second graders in building a miniature water system, or providing a water conservation display at a sustainability fair, TVWD works hard to let customers of all ages know how we provide quality water and customer service.

Throughout the year, TVWD employees present at a variety of community events, such as neighborhood association meetings, church groups, farmers markets and schools. Most of these events are used to inform area residents about the importance of what we do and how to use water wisely. In addition, TVWD regularly customizes presentations for businesses or civic groups on water-related topics of interest. For more information about TVWD's speakers bureau, contact Jim at outreach@tvwd.org or call 503-848-3036



District staff show students there is a lot more to a fire hydrant than what they see above the ground.



Meet *Flow* and *Eddy*, two emergency pumps that can supply the City of Tualatin and Metzger with water during an emergency.

Emergency Preparation: *Providing Service After Emergencies*

By focusing on system resiliency and water supply redundancy, TVWD is working with other regional suppliers to develop a resilient "backbone" of transmission and storage capacity in the event of a major earthquake. One of TVWD's primary goals is for customers to have access to quality water as quickly as possible following an emergency. To help meet this goal:

- TVWD is partnering with the City of Hillsboro to develop the Willamette Water Supply Program, increasing the resiliency and reliability of the region's water supply.
- TVWD partnered with the City of Tualatin to purchase a portable emergency water pumping system to provide water to our Metzger service area and City of Tualatin residents in the event that the Washington County transmission line from Portland is down in an emergency.
- TVWD designs and builds new infrastructure to meet current seismic standards. The Garden Home Reservoir and the Ridgewood View Park Reservoir are newer reservoirs that were designed to meet stringent codes in order to withstand large earthquakes.
- Members of TVWD's staff routinely participate in regional emergency planning drills and other related efforts.

These examples are just a few of the many steps the District is taking to provide quality water following an emergency. For more information about how the District is preparing for emergencies, visit tvwd.org/preparedness.

Delivering the best Value

Partnerships

“Go it alone” is rarely the best strategy. Customer surveys reveal that District customers want TVWD to continue to develop partnerships with local communities and key stakeholders to coordinate and share costs and expenses. TVWD actively pursues partnerships in many of our endeavors, including:

- **Capital Improvement Projects:** TVWD and the Willamette Water Supply Program staff work with the cities of Hillsboro, Beaverton, Tigard, Portland, Washington County, and other jurisdictions for pipe replacement in advance of road construction work. This often results in significantly reduced project costs (such as \$20-\$30 million in avoided costs for the SW 124th Ave. pipeline) and reduced community impacts.
- **Regional Water Providers Consortium:** By pooling resources with other water providers in the Portland-Metro area, TVWD saves money implementing regional programs in conservation, consumer education and water supply monitoring.
- **Joint Billing and Payment Processing:** TVWD saves about \$1.1 million per year by combining billing services with Clean Water Services and the City of Beaverton.



Officials from multiple agencies break ground on the 124th Avenue road project.

- **Cooperative Purchasing Agreements and Equipment Sharing:** TVWD shares fuel costs with Tualatin Hills Parks and Recreation District and is a member of Cooperative Public Agencies of Washington County, a consortium of Washington County public agencies who share a variety of equipment and resources.



A TVWD employee uses mapping software to help plan a hydrant flushing route.

Safeguarding Your Water Through Technology

Harnessing the latest technology helps TVWD monitor the water system and provide quality water in the most cost-efficient way possible. Our Supervisory Control and Data Acquisition (SCADA) system consists of computers, software and telemetry that is used to control operation of the water system and monitor water quality and system security throughout the District’s entire service area.

Financial Statistics

STATEMENT OF CASH FLOWS

| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
|--|---------------------|----------------------|--------------------|
| | 2016 | 2015 | Difference |
| Receipts from customers | \$49,517,237 | \$43,386,999 | \$6,130,238 |
| Payments to suppliers and others | (14,696,202) | (10,446,350) | (4,249,852) |
| Payments to employees | (14,908,457) | (14,041,128) | (864,329) |
| Net cash provided by (used for) operating activities | 19,912,578 | 18,899,521 | 1,013,057 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Acquisition and construction of capital assets | (27,496,368) | (26,354,146) | (1,142,222) |
| Capital contributions | 13,904,804 | 7,780,024 | 6,124,780 |
| Other capital and financing related activities | 18,094 | (5,716,877) | 5,734,971 |
| Net cash provided by (and used for) capital and related financing activities | (13,573,470) | (24,290,999) | 10,717,529 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Net cash provided by (used for) investing activities | (6,268,605) | 148,522 | (6,417,127) |
| Net cash flows during year | \$70,503 | \$(5,242,956) | \$5,313,459 |
| Net cash and cash equivalents at end of year | \$41,833,403 | \$41,762,900 | \$70,503 |
| Net investments at end of year | 50,246,270 | 44,146,710 | 6,099,560 |
| Total cash and cash equivalents and investments | \$92,079,673 | \$85,909,610 | \$6,170,063 |

Looking towards the Future

BOARD OF COMMISSIONERS:

Bagnall Appointed to Board of Commissioners Following McWilliams' Retirement

One hallmark of TVWD is stability and continuity on our Board of Commissioners. In September 2016, TVWD experienced its first change in Board membership in seven years. Outgoing Board President Marilyn McWilliams retired. To fill this critical role, the Board appointed Bernice Bagnall to Position 1. A 40-year resident and customer of the District, Commissioner Bagnall has an extensive background in public and private utility financial planning, with a specific focus on rates and oversight. Commissioner Bagnall also brings to the Board an impressive history of leadership in the public sector and water industry, including past board and committee positions with a variety of local and national utility associations. Her 30-year career in utility finance and economics included employment with Pacific Power and Light Co., City of Portland, Clean Water Services and TVWD.



Commissioner Bagnall is sworn in to the Board.

Strategic Communications Plan

In August 2016, the Board of Commissioners adopted TVWD's first ever Strategic Communications Plan. This plan provides a foundation to guide District communications with customers, stakeholders, partners, the media and TVWD staff. Plan recommendations that were implemented in 2016 included launching social media accounts on Twitter and Facebook, updating the District's graphics, and expanding the District's community outreach program. Work scheduled for 2017 includes re-branding the organization with a new brand strategy and visual identity as well as replacing the District's website and content management system.

Ridgewood View

TVWD's newest reservoir at Ridgewood View Park went online July 22, 2016. The \$30 million capital project includes a new 8 million gallon seismically-resilient reservoir, a new 11 million gallon-per-day pump station, and 6,700 feet of new 24-inch diameter pipe. This important project helps improve water reliability for the West Hills, including critical customers such as Providence St. Vincent Medical Center.

This project was a joint-agency partnership between TVWD and Tualatin Hills Park & Recreation District. Both agencies improved the reservoir and existing park facilities by working closely with neighbors throughout design and construction. This resulted in park upgrades that include new tennis court facilities, a bocce ball court, a nature-themed play area, landscaping, additional walking trails, and site pedestrian connections.

Ridgewood View also received the Institute for Sustainable Infrastructure's (ISI) Envision rating system's Gold Award. It is the first joint water storage reservoir and park facility to receive an ISI Envision award, and is also the first Envision award in Oregon. It is the 11th infrastructure project in North America to be recognized by the Envision rating system, and reflects the tangible results TVWD is realizing from sustainability and conservation programs.

