

# BARNEY RESERVOIR

Joint Ownership  
Commission

## BARNEY RESERVOIR JOINT OWNERSHIP COMMISSION (BRJOC) PRELIMINARY AGENDA

### General Manager

Kevin Hanway  
150 E. Main Street  
Hillsboro, OR 97123  
503-615-6585

### Board of Commissioners

*City of Hillsboro*  
John Godsey

*City of Forest Grove*  
Rod Fuiten

*City of Beaverton*  
Denny Doyle

*Tualatin Valley Water District*  
Jim Doane

*Clean Water Services*  
Bruce Roll

### TVWD

Board Room  
1850 SW 170<sup>th</sup> Ave.

July 10, 2015

12:30 p.m.

Regular Meeting

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Assistive Listening Devices (ALD) and sign language interpreters are available, at no cost, and can be scheduled for this meeting. Please provide at least 72 hours notice prior to the meeting. To obtain these services, call (503) 681-6100 or TTY (503) 681-6284.

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**(Please Note:** In order to insure proper approval of agenda items requiring action, each agency should plan to have only one Commissioner, primary or alternate, participate in making or seconding any motions.)

**ALL TESTIMONY IS ELECTRONICALLY RECORDED.**

**Call to order at 12:30 p.m.**

### CALL TO ORDER

Introductions.

1. **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. Approve regular meeting minutes from Friday, April 10, 2015.

2. **COMMUNICATIONS AND NON-AGENDA ITEMS**

A. None scheduled.

3. **UNFINISHED BUSINESS**

A. None scheduled.

4. **NEW BUSINESS**

A. Consider adoption of Managing Agency Purchasing Rules. *Staff Report*  
– Kevin Hanway

5. **DISCUSSION ITEMS** (These items may result in actions by the Commission)

- A. Stored Water Status. *Staff Report – Kristel Fesler*
- B. General Manager's Report. *Staff Report – Kevin Harway*

6. **ADVICE/INFORMATION ITEMS**

- A. The next JWC and BRJOC meetings are scheduled on Friday, October 10, 2015, at the Civic Center in Room 113B. The BRJOC meeting will be held at 12:30 p.m. with the JWC meeting following.

BARNEY RESERVOIR JOINT OWNERSHIP COMMISSION (BRJOC)

MINUTES

City of Hillsboro  
Civic Center, Room 113B  
150 E. Main St.

April 10, 2015  
12:30 p.m.  
Regular Meeting

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**Commissioners Present:**

Hillsboro: John Godsey  
Forest Grove: Victoria Lowe  
Beaverton: Marc San Soucie  
TVWD: Jim Doane  
Clean Water Services: Tom VanderPlaat

**Other Commissioners:**

Hillsboro: John Rosenberger and David Judah  
Forest Grove: Rod Fuiten  
Beaverton: Denny Doyle  
TVWD: Mark Knudson and Dick Schmidt

**Staff Present:**

Hillsboro: Rob Dixon, Kevin Hanway, Chris Wilson, Nesh Mucibabic,  
Sophia Hobet, Erika Murphy, Kristel Fesler, Mellisa Franklin,  
Michelle Wareing and Tonya Bilderbeck  
Beaverton: David Winship  
Forest Grove: Derek Robbins, Tom Gamble and Brian Dixon  
TVWD: Dave Kraska

**Others:**

Clark Balfour, Attorney  
Jude Grounds, Carollo Engineers

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*(Please Note: In order to insure proper approval of agenda items requiring action, each agency should plan to have only one Commissioner, primary or alternate, participate in making or seconding any motions.)*

**ALL TESTIMONY IS ELECTRONICALLY RECORDED.**

Call to order at 12:30 p.m.

**Introductions.**

1. **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. Approve regular meeting minutes from Friday, January 9, 2015.

Motion by Lowe and seconded by Doane to approve the consent agenda as presented. The motion carried unanimously, with Commissioners Godsey, Lowe, San Soucie, Doane and VanderPlaat all voting in favor.

**2. COMMUNICATIONS AND NON-AGENDA ITEMS**

A. None scheduled.

**3. UNFINISHED BUSINESS**

A. None scheduled.

**4. NEW BUSINESS**

A. Consider Approval of the Proposed 2015-16 Budget. *Staff Report – Mellisa Franklin*

Franklin provided updated numbers with personnel services changes and special payments. She said the overall budget total expenditures are \$922,185, which is a 5% decrease from fiscal year 2014-2015 budget. Franklin stated this figure includes the capital reserve of \$348,238. BRIOC partners are charged only for actual expenditures. The proposed expenditures without the reserve are \$573,947, a decrease of 6.2% from the prior year level of \$611,899.

Franklin reported the personnel services budget decreased by 17.1% (\$55,310) from fiscal year 2014-2015 to 2015-2016. The proposed budget includes updated employee allocations between the City of Hillsboro, Joint Water Commission, and Barney Reservoir Joint Ownership Commission, full year results of the comprehensive Classification and Compensation Study performed by Hillsboro, and a 5% overall increase in total personnel services to include: (1) estimated increases in Medical and Dental costs for half the year; (2) Hillsboro's estimated Wage Adjustment, instead of a Cost of Living Adjustment (COLA) (final figures are not yet proposed).

Franklin said the Materials and Services budget has decreased by 17.1%. She said Special Payments has an increase of approximately \$23,500 due to estimated insurance costs increase, updated share in facilities and fleet charges and depreciation, support services charges, equipment depreciation, and payment to other governments. There are no capital projects proposed for fiscal year 2015-2016.

Motion by Godsey and seconded by Fuiten to approve the proposed FY 15/16 budget as presented, subject to final modifications not to exceed 5% of Personnel Service and Special Payments costs as determined by the City of Hillsboro. The motion carried unanimously, with Commissioners Godsey, Lowe, San Soucie, Doane and VanderPlaat all voting in favor.

**5. DISCUSSION ITEMS (These items may result in actions by the Commission)**

A. Stored Water Status. *Staff Report – Kristel Fesler*

Fesler reported Barney filled in January. She said the typical release begins in early June, however, it could be earlier as climate forecast predicts warm weather.

B. General Manager's Report. *Staff Report – Kevin Hanway*

None presented.

6. **ADVICE/INFORMATION ITEMS**

- A. The next JWC and BRJOC meetings are scheduled on Friday, July 10, 2015, at the Civic Center in Room 113B. The BRJOC meeting will be held at 12:30 p.m. with the JWC meeting following.

There being no further business, the meeting was adjourned at 12:46 p.m.

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Chairman, Barney Reservoir Joint Ownership Commission

ATTEST: \_\_\_\_\_  
Secretary



## STAFF REPORT

To: Barney Reservoir Joint Ownership Commission

From: Kevin Hanway, General Manager

Date: June 30, 2015

Re: Agenda Item 4A – Consider adoption of Managing Agency Purchasing Rules

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**Staff Recommendation:**

Adopt Resolution 105-B

**Cost:**

None

**Budget:**

Not Applicable

**Attachments:**

1. Resolution 105-B.

## **Background**

Like all municipal bodies, the Barney Reservoir Joint Ownership Commission operates within state laws on public contracting. The BRJOC IGA (section 3.7) includes two provisions relating to the Commission's contracting authority. It allows the Managing Agency (1) to approve contracts subject to the purchasing rules of the Managing Agency, unless the Commission adopts its own rules, and (2) authorizes the General Manager to approve change orders not exceeding ten percent (10%) in aggregate of the original contract amount.

Under a previous resolution (104-B) the Commission has appointed itself as the Local Contract Review Board), and has adopted the City of Hillsboro procurement rules as its own rules. Resolution 104-B also adopts subsequent amendments to the Hillsboro rules.

Allowing the Managing Agency to operate under Hillsboro procurement rules produces significant benefits for both the Managing Agency staff and for the Commission. Operating under a single set of rules avoids the potential for confusion and error that would occur if the Commission independently developed different rules. Following the Hillsboro rules also allows the Commission to rely on the experience and expertise of the staff in Hillsboro's procurement division. If the Commission were to adopt its own rules, the General Manager would have to develop independent expertise on procurement requirements, and BRJOC expenses for legal services would increase due to the need for obtaining independent opinions on interpretation or application of the Commission's procurement rules.

The City of Hillsboro recently adopted a comprehensive rewrite and update of its procurement rules, which took effect on January 6, 2015. These updated rules already apply to BRJOC pursuant to Resolution 104-B. However, because the revisions were so extensive and included significant increases in the General Manager's contracting authority, the General Manager and BRJOC legal counsel believe it would be best practice for the Commission to formally adopt the new rules.

BRJOC legal counsel has reviewed the new Hillsboro rules and concurs that they reflect good practices and are consistent with Oregon statutes. The most significant change to the rules is to increase the contract authority for the General Manager.

- **Signature Authority:** Under the previous rules, the Managing Agency, acting through either the General Manager or the Hillsboro City Manager, was granted signature authority for contracts for budgeted items up to \$150,000. Under the newly adopted rules, that signature authority has been increased to \$350,000. For contract amounts over \$350,000, Commission action is required.
- **Change Orders:** The proposed resolution adopts the newly-updated Hillsboro procurement rules and any future amendments that are subsequently adopted by the City of Hillsboro. Adoption of the new rules is done expressly subject to limitations of the BRJOC IGA, which authorizes the General Manager to approve change orders up to 10% of the original contract value, with no dollar limit. That provision will prevail over the provision of the new Hillsboro rules, which would otherwise have required Commission approval for any change order to a contract with an original amount over \$350,000 or that would increase the cumulative contract amount to over \$350,000.

**BARNEY RESERVOIR JOINT OWNERSHIP COMMISSION  
LOCAL CONTRACT REVIEW BOARD  
RESOLUTION #105 - B**

**A RESOLUTION AMENDING LOCAL CONTRACT REVIEW BOARD RULES;  
DECLARING EFFECTIVE DATE; AND OTHER MATTERS RELATING THERETO**

WHEREAS, the Barney Reservoir Joint Ownership Commission (BRJOC), as defined in Article 3.1 of the Joint Ownership Agreement Barney Project (Agreement) dated April 9, 2003, is an entity organized under Oregon Revised Statutes, Chapter 190. Its members are the Cities of Hillsboro, Beaverton, and Forest Grove and the Tualatin Valley Water District and Clean Water Services; and

WHEREAS, by Resolution #104-13 the BRJOC appointed the governing body of the BRJOC as the Local Contract Review Board (Board) as authorized by ORS 279A.060; and adopted Board Rules (Rules) governing procurement matters; and

WHEREAS, the BRJOC find that it is helpful to the Managing Agency for it to rely on its procurement staff and that the Rules of the BRJOC should match the Managing Agency's Rules to the greatest extent possible to provide for ease of administration; and

WHEREAS, by Resolution #104-B the BRJOC adopted the City of Hillsboro Rules (City Rules) until such time as the BRJOC Rules can be amended by Commission action, considering the Commission's less frequent meeting schedule; and

WHEREAS, the City of Hillsboro recently adopted updated and comprehensive City Rules on January 6, 2015 that account for changes in Oregon law since 2010, provided for more efficient contracting processes and authorizations and repealed previous City Rules; and

WHEREAS, the BRJOC has determined that the City Rules, as may be amended, shall be adopted, as the Board Rules and being fully advised,

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**NOW, THEREFORE, THE BARNEY RESERVOIR JOINT OWNERSHIP COMMISSION HEREBY RESOLVES:**

**Section 1: The Board hereby adopts the City Rules as the Board Rules.**

**Section 2: BRJOC will periodically review its Rules to determine if amendments are necessary. Subject to the limitations of Section 3.6, during the period between reviews, if the City Rules are amended or if state law or administrative rules are amended, then such amendments are adopted by reference and shall apply to these Rules and the General Manager may act upon them until further BRJOC action.**

**INTRODUCED AND ADOPTED THIS 10th day of July, 2015.**

**BARNEY RESERVOIR JOINT OWNERSHIP  
COMMISSION**

**By: \_\_\_\_\_  
James Doane, Chair**

**ATTEST**

**By: \_\_\_\_\_  
Kevin Hanway, General Manager**