

# Metropolitan Wastewater MANAGEMENT COMMISSION



partners in wastewater management

## MWMC MEETING AGENDA

Friday, June 11th, 2021 7:30 AM – 9:30 AM (PDT)

Due to the Coronavirus Pandemic and Oregon Executive Order 20-16, the MWMC Meeting will be held remotely via computer or phone.

To join the meeting by phone dial: 877-853-5247; Access Code: 649 567 0749

- 7:30 – 7:35    **I.    ROLL CALL**
- 7:35 – 7:40    **II.   CONSENT CALENDAR**  
a. MWMC 5/14/21 Minutes  
b. MWMC FY2021-22 Budget CIP Ratification  
**Action Requested:** By motion, approve the Consent Calendar
- 7:40 – 7:45    **III.   PUBLIC COMMENT:** Public comment can be submitted by email to [jbrennan@springfield-or.gov](mailto:jbrennan@springfield-or.gov) or by phone 541-726-3694 by 5 PM June 10th, 2021 or made at the meeting. All public comments need to include your full name, address, if you are representing yourself or an organization (name of organization), and topic.
- 7:45 – 8:00    **IV.   SOFTWARE PROCUREMENT FOR CAPITAL PROGRAM.....Troy McAllister**  
**Action Requested:** Approve, by motion, Resolution 21-05
- 8:00 – 8:25    **V.    INSURANCE RENEWAL.....Katherine Bishop**  
**Action Requested:** Approve, by motion
- 8:25 – 8:55    **VI.   PUBLIC INFORMATION PROGRAM UPDATE.....Loralyn Sprio and April Miller**  
**Action Requested:** Informational and Discussion
- 8:55 – 9:10    **VII.   KEY OUTCOME 2: FISCAL MANAGEMENT.....Katherine Bishop and Valerie Warner**  
**Action Requested:** Informational and Discussion
- 9:10 – 9:30    **VIII.   BUSINESS FROM COMMISSION, GENERAL MANAGER, & WASTEWATER DIRECTOR**
- 9:30            **IX.    ADJOURNMENT**

**THE FULL PACKET IS POSTED ON THE WEBSITE**

[www.mwmcpartners.org](http://www.mwmcpartners.org)

# Metropolitan Wastewater MANAGEMENT COMMISSION



*partners in wastewater management*

## **MWMC MEETING MINUTES**

Friday, May 14, 2021 at 7:30 a.m.

Due to the Coronavirus Pandemic and Oregon Executive Order 20-16, the MWMC Meeting was held remotely via computer or phone. Meeting was video recorded.

Commissioner Yeh opened the meeting at 7:30 a.m. Roll call was taken by Josi Brennan.

### **ROLL CALL**

*Commissioners Present Remotely:* Pat Farr, Bill Inge (joined at 7:47am), Doug Keeler, Walter Meyer, Peter Ruffier, and Jennifer Yeh

*Commissioners Absent:* Joe Pishioneri

*Staff Present Remotely:* Lou Allocco, Meg Allocco, Katherine Bishop, Dave Breitenstein, Josi Brennan, Jon Diller, Shawn Krueger, Troy McAllister, James McClendon, Todd Miller, April Miller, Michelle Miranda, Brooke Mossefin, Bryan Robinson, Matt Rodrigues, Lorilyn Spiro, Matt Stouder and Valerie Warner

*Legal Counsel Present Remotely:* K.C. Huffman (Thorp, Purdy, Jewett, Urness, & Wilkinson, PC)

### **CONSENT CALENDAR**

a. MWMC 4/9/21 Minutes

MOTION: IT WAS MOVED BY COMMISSIONER **RUFFIER** WITH A SECOND BY COMMISSIONER **FARR** TO APPROVE THE CONSENT CALENDAR. THE **MOTION PASSED** UNANIMOUSLY 5/0, WITH COMMISSIONER **INGE** AND COMMISSIONER **PISHIONERI** EXCUSED

### **PUBLIC COMMENT**

There was no public comment.

### **SYSTEM DEVELOPMENT CHARGES FOR SMALL HOMES**

Matt Stouder, MWMC Executive Officer, stated in 2017 the Commission was approached with a request to consider System Development Charges (SDC's) for various types of developments, which included a specific look at small homes and tiny homes. After discussing policy issues regarding SDCs, the Commission elected to focus on small homes due to affordable housing priorities associated with the Governing Bodies. In 2017 the Commission took action and implemented a new, separate rate for small houses 800 square feet or less, consistent with the multifamily rate. In 2018 the Commission set up a Program for small houses, to offset SDC's for applicants meeting criteria similar to those established by the Governing Bodies for small homes.

The Commission budgeted \$100,000 to establish the small house SDC project and set a sunset date of June 30, 2019 unless the Commission elected to extend the Program. At the end of the first year, there were four qualifying small houses meeting the criteria, all located in Springfield. This resulted in approximately \$94,000 remaining unspent in the Program, and the Commission extended the Program for an additional year. The Commission extended the Program again in 2020. To date, there have been 21 qualifying developments meeting the Program criteria, and a few currently pending. The current dollars remaining in the Program is approximately \$54,000. At this point the Commission needs to decide if they want to extend the program, because it is scheduled to sunset June 30, 2021.

The MWMC does have money currently in the budget that is remaining in the Program. If the Commission wishes to extend the SDC project, the next step would be approving Resolution 21-04.

*DISCUSSION:* Commissioner **Farr** said he is in favor of continuing the Program and prefers to include the addition of SDC waivers for payments for additional auxiliary housing units. We are right at the tip of the infill with small houses and are beginning to have more contractors and developers looking at it. Homes for Good, which is not included in this Program is continually adding units. This is a good program and we should see more activity in the future, particularly now as we are striving to infill based on recent emergencies. Besides Eugene and Springfield, access to affordable housing could not be found. Lane County is deeply involved in doing what we can to reduce the cost of housing, and to add more housing.

Commissioner **Ruffier** said he was very supportive of extending the Program. Do we expect the extension of this Program for another year to address the needs we envision coming up over the next year? In other words, are there any significant changes being proposed to Eugene, Springfield, or Lane County with regards to this type of development? Do we have an opportunity to either revisit this in the interim should something change significantly or just wait it out until the next expiration period for a further discussion? Commissioner **Farr** said Square One Villagers is a local developer of small houses, and they construct homes smaller than 800 square feet and will probably participate in the program. Mr. **Stouder** said staff will gather information and updates from the Program and bring it back to the Commission before the Program sunsets. Staff can also inform the Commission when there is a large development, if a number of ADU's come in, or if funds are in jeopardy of running out before the next fiscal year.

Commissioner **Meyer** said extending the Program for another year would give us time to learn what all three partner agencies are up to, so we could be supportive in providing affordable housing. Extending it to next fiscal year gives us time to learn more about the programs that are underway. Mr. **Stouder** said we could consider obtaining information on what is going on in Springfield and Eugene. Staff could either solicit information and provide it to the Commission or better yet have one or two people from Eugene/Springfield come to a meeting and give the Commission an update. Commissioner **Meyer** said that would be great and is exactly what he was hoping to hear, to get more information during this coming year. Commissioner **Keeler** said he was very supportive of the Program.

Commissioner **Farr** said at some point he would like to get on record what our definition of small houses are, and maybe that can include auxiliary dwelling units which are allowed in metropolitan areas and also in the county. Auxiliary dwelling units are not necessarily separate or detached small houses; they often are attached to the existing dwelling, but that is not a part of this motion.

MOTION: IT WAS MOVED BY COMMISSIONER **FARR** TO ADOPT RESOLUTION 21-04. THE MOTION WAS SECONDED BY COMMISSIONER **MEYER**. THE **MOTION PASSED** 5/0, WITH COMMISSIONER **INGE** AND COMMISSIONER **PISHIONERI** ABSENT.

*DISCUSSION:* Mr. **Stouder** wanted to address Commissioner Farr's question on the definition of small houses, because it is different in Eugene and Springfield. For the MWMC's Program, the house needs to be 800 square feet or smaller. Essentially any standalone house or accessory dwelling unit attached or detached 800 square feet or smaller would qualify.

### **BIOCYCLE FARM MU3 POPLAR HARVEST UPDATE**

Todd Miller, Environmental Services Supervisor, provided an update on the 2021 harvest of the Biocycle Farm. The current status is the harvest scope of work went out to bid in February and the MWMC received zero bids. MWMC has been consulting with the legal counsel on next steps, and staff is networking with contractors to develop a potential path forward. Mr. Miller explained to the Commission what brought the team to this point, how staff plans to proceed moving forward, and welcomes input from the Commission.

Management Unit 3 (MU3) of the MWMC's Biocycle Farm is currently 12 years old, which is the maximum age for harvesting poplar under land use rules. The Biocycle Farm is 400 acres of poplar trees currently managed in three different age class rotation units and provides a biosolids benefit. This program provides environmental benefits of poplar trees that absorb a large amount of water and nutrients in the biosolids themselves. Used mainly as an insurance policy to avoid over-accumulation of biosolids, staff typically applies 20% of the total biosolids to the Biocycle Farm, with the balance going to nearby cooperative farms. In recent years, there has been an unfortunate push back against biosolids application in certain Oregon Counties. Not getting those biosolids out to the cooperative farms is a risk, but the MWMC has their own land application base to ensure beneficial use of the biosolids.

The Community enjoys the concept of the Biocycle Farm, the sustainability it represents, and the benefits from the waste-to-commodity approach. Zoning of the farm is for Exclusive Farm Use and is under farmed wetland status. The property is recognized in the Conditional Use Plan as an agricultural site; therefore, the poplar must be managed under agricultural rules and be on a rotation age of 12-years. The Springfield Capital projects team has managed the initial harvest, replanting, and marketing of the first three units. Thereafter, harvest and replanting will be a standard operational practice to the Eugene team.

Management Unit 1 (MU1) was harvested in 2013-2015, Management Unit 2 (MU2) was harvested in 2015 and 2017, and Management Unit 3 (MU3) is currently at 12 years of age and scheduled for harvest in 2021. Based on previous harvest yields, staff projected growing trees to the full 12-years of age presents the best opportunity to reach financial sustainability. This will provide more market value, not only in volume of pulp material yield, but also in higher proportion and volume of biomass suitable for saw logs.

Leading up to the no bid situation, staff performed due diligence on outreach and in the past year strived to get more people engaged in the Biocycle Farm. A video, infographic, and other details were produced and displayed on the MWMC website to inform potential contractors and partners about the farm and how to get engaged in harvest practices. In the past, Northwest Youth Corps was engaged for

an educational experience of replanting and pruning the farm. Over 450 contacts were either mailed a paper copy or emailed, informing them about the upcoming harvest and how to keep informed on the procurement process. The contacts were surveyed to assess level of interest in the harvest, milling, and use of poplar in 2021; the MWMC received 18 responses. People that worked with the MWMC in the past gave positive responses and were interested in continuing to work. Others were excited about the poplar farm and wanted to see it succeed but did not have the tooling or capacity to participant in the farm practices.

A three-procurement menu was completed for the MU3 to optimize opportunities and encourage harvest competition and innovation in poplar use and markets.

- *Poplar Harvest ITB* - Opened March 15, 2021; closed April 16, 2021. Requested services to fell and process MU3 poplar trees and sell material to market unless otherwise directed by the MWMC.
- *Poplar Milling request for quote (RFQ)* - Issued March 31, 2021 and closed April 23, 2021. Requested quotes for producing a fixed amount of board feet of poplar from the MU3 harvest (representing a minor percentage of overall harvest).
- *Poplar Innovation request for interest (RFI)* - Issued April 20, 2021 and open through May 28, 2021. The RFI solicits interest from potential buyers, demonstration users, or demonstration partners for MU3 poplar as well as opportunities to develop and advance poplar uses for future harvests.

The poplar harvest invitation to bid closed after 31 days, with no bids. The request for quote was open for slightly less than a month and received one quote. The two contractors that harvested poplar for MWMC in the past did not bid. One contractor was no longer in business. The other contractor was reluctant due to current economic and business climate conditions and said it would be hard to find a market for the poplar. Mills and logging crews are extremely busy with post-fire logging and keeping up with high nationwide demand for lumber.

Since then, negotiations with a potential harvest contractor indicates the conditions for the market are pulp logs for fiber material. Harvesting would require subcontracted work and it is currently very hard to find personnel and equipment. Logging trucks are difficult to come by right now, but despite these obstacles staff feels confident the harvest can be completed if necessary. Besides the one entity the MWMC is negotiating with, there is another logging business that came out and inspected the farm last week and staff will be getting numbers back to compare.

After consulting with legal counsel, staff believes the MWMC can execute an emergency procurement pathway and directly negotiate with a contractor. This would still require approval from the Commission to proceed with the contracts. Time is of the essence from the difficulty in lining up items, but people interested in doing the work want to start sooner rather than later. Contractors do not know the potential fire risk or fire shutdown, and during a busy fire season crews will be more involved with fires.

A local mill has shown interest in milling up boards, and staff recommended to process 5% or 10% of the overall harvest and get the product to potential users. A local lathe miller is also interested in milling up some logs, yet staff is unsure they can provide competitive pricing. Regardless, demonstrating the value of material and getting people comfortable with poplar would be an opportunity, even if it is more of an investment. A buyer in Portland who has worked with poplar sales has shown interest, but staff are first waiting to see if the harvest will happen, then will figure out the rest of the marketing strategy.

*DISCUSSION:* Commissioner **Keeler** said he appreciated the challenges staff have faced given the post fire realities and appreciate them trying to navigate that while also giving options. With the sweet spot for tree growth and harvesting at 12 years, is there an opportunity in this? Is there an appeal process given the realities we are facing? What if we could extend our harvest cycle to 13 or 14 years to find more benefit? Could we do that on appeal and develop a future case for potentially extending that cycle to provide a greater benefit economically? Is there any sort of wiggle room in that statute or regulation? Mr. **Huffman** said there is a number of issues at play. Zoning configuration is affected by the timing on this. Lane County says for up to 12 years it is considered agricultural and beyond that considered forest work. The location of the farm is not zoned for forest work, and we have not performed an analysis to determine whether a variance would apply. There are taxation issues along with zoning for the 12 years, and if it goes beyond 12 years you fall out of the exemption from certain taxes. One statute did talk about a 12 to 20-year cycle, but Mr. Huffman needed to look into that further. Potentially, there could be a civil penalty if the farm is not harvested within the time frame. That procedure itself does provide for an appeal of a civil penalty and includes the statute factors that apply here as mitigating factors.

Commissioner **Farr** informed Mr. Miller and Mr. Huffman they could lean on Lane County Legal Counsel to help with land use issues. If there is a path, they can probably help us define it. Extending the cycle should have no effect on the environment. For future years, maybe we want to look at this at 10 years rather than 12 years to give a buffer. Going outside of the standard process with contracting is highly encouraged to find the contract who potentially could do the work. This is just a blip in time and we certainly hope nothing like the Holiday Farm Fire will happen again. If we can just weather this and get past it, we should not see this kind of an issue with the Biocycle Farm. Mr. **Miller** said with interest of going past the 12-year rotation, hopefully there will be a better business climate next year. There is a path forward, but staff are waiting for direction before they put too much earnest into negotiating the exact details with contractors.

Commissioner **Inge** was curious about the 12-year cycle. Do the trees have to be down by a certain date in the year? How much latitude do we have in terms of timeframe in that 12-year? Mr. **Huffman** said this issue came up in the 2016 harvest. It was determined if a tree needed to be harvested and the 12 years landed somewhere in 2021, you have until the end December 31, 2021 to harvest. The 12-year is not an exact date from when plantings were done, and we are working on a provision that 12-31-21 is the end of our 12-year timeframe. Commissioner **Inge** asked if the entire MU3 unit has to be completely harvested by that date, or do you just have to start the process of harvesting within that time frame? Mr. **Huffman** said the language of the statute refers to "harvested" as in past tense, but we can take a further look into that. There is a good faith element in some of the statutes for obstacles we cannot get past, and we do have arguments for appeal because the factors were outside of our control.

Commissioner **Inge** asked if you started planting on May 1<sup>st</sup> and ended planting on June 30<sup>th</sup>, is it the May 1<sup>st</sup> date or June 30<sup>th</sup> date that is the 12-year space? Mr. **Huffman** said he has not looked at that specifically. Whether it is May or June of a particular year, you have through the end of that year to get the harvest done, in the 12-year cycle. If you are planting in December and January, does that change things? From my understanding Mr. Miller does not want to harvest at that time of year. Mr. **Miller** said we could defer the harvest until later in the season yet based on best practices learned from previous years staff want to harvest early and get crews on the farm in June. This spring has been very dry and so getting out on the farm ground is not a problem. We can explore coming back to the Commission with an interim approval to get the contract going. Another alternative is waiting to see how the economic

climate changes in July and August. Mr. **Stouder** said it would be beneficial for legal counsel to perform an analysis on going past 12 years, to know how we are regulated and what options we have to extend past 12 years. If this situation occurs again, we need to have options on how we manage the poplar trees on site. There is a huge supply and demand right now with the number of homes being built and rebuilt from the fire damage.

Mr. **Miller** addressed the comment from Commissioner Keeler on harvesting before 12 years to give a cushion and noted staff did experiment with that in previous harvests to see what the optimal approach is. MU1 was harvested at 9, 10 and 11 years old, because we did not know if the product could be harvested and marketed by year 12. That data showed each successive year we got closer to financially breaking even on the harvest replanting costs. The projections showed MU3 had better trees growing at a full 12 years and proved to be financially sustainable in that regard. Moving forward, shooting for year 10 or 11 might be the wiser choice if you cannot count on the market.

### **CLEAN WATER UNIVERSITY UPDATE**

Loralyn Spiro, Lead Communications Coordinator and April Miller, Communications Coordinator updated the Commission on the Clean Water University program. Clean Water University started in 2011 as an in-class stormwater focused education program put on by the City of Springfield Environmental Services Division, later adding wastewater curriculum.

Based on feedback from the Commission and teachers, the format was changed in 2018 to involve more students to better accommodate school schedules while not increasing resource needs. This led to an on-site field trip to the Water Pollution Control Facility in 2018 and 2019. With over 10 schools applying for the lottery and 10 schools participating, staff hoped to continue the program in 2020.

Due to the impacts of COVID-19 and based on the State of Oregon's guidance around virtual learning, the delivery of Clean Water University had to be shifted to a digital format for the 2020 – 2021 school year. Staff reviewed existing curriculum that had been used as prep content for the in-person event and identified gaps in the content that needed built out in order to cover all of the curriculum previously implemented in the activity booths.

The online version has nine lessons, consisting of; Water Cycle, Drinking Water, Water Quality, Macroinvertebrates, Wastewater Treatment, Pollution Prevention, Microorganisms, Sustainability, and a Jeopardy style game. The macroinvertebrates lesson did need content build out, and so a video was produced by the communications and stormwater staff. Elliot Pond, a marketing intern through OSU helped produce the video. Additionally, Springfield Communications staff worked with Eugene Communications and Wastewater Operations staff at the Treatment Plant to produce a video for the microorganism's lesson.

Ms. Spiro then showed a video to the Commission narrated by Peter Jaeger and starring Meghan Murphy.

Ms. Miller showed the Commission another video focusing on micro-organisms narrated by Lead Operator Matt Green.

The Teacher's Guide for this Program is intended to give school staff an overview of each lesson. Most lessons have three-four procedures and materials, to make it easy to implement while providing additional information for teachers who have more time to spend with their class. These lessons came from previously developed materials, as well as resources available to our partners and online.

Additionally, to encourage teachers to participate in the program and support science learning, two new incentives were added to this year's offering:

- *School STEM Program Donation* – As a thank you for incorporating Clean Water University into class curriculum and to further science, technology, engineering, and math education in the Eugene-Springfield area, the MWMC donated \$500 to each participating school's STEM or science program.
- *Class Drawing for Student Scholarships to STEM Discovery Camp* – In addition to the school STEM program donation, participating classes will be entered into a drawing for all students in the class to receive a scholarship to the Eugene Science Center's STEM Discovery Camp (a \$40 value per participating student). This camp is allowed to occur under the State's current mandates, despite the Eugene Science Center being closed to daily visitors.

All fifth-grade teachers in Bethel, Eugene, and Springfield school districts along with 2 private schools in Eugene received an invitation to participate in the program. Between February and April, eight schools participated. Initially open from February – March, the program was extended through April, so teachers had time to work the curriculum into existing lesson plans. School staff that implemented the curriculum gave positive feedback, appreciated the experience, and said students enjoyed the lessons and videos. Participation was limited this year due to COVID 19, along with challenges from virtual and hybrid learning that was implemented when the program first kicked off.

Goals for Clean Water University include holding in-person activities this Fall at the treatment , continuing the online version for classes who are not selected in the lottery to attend in-person or cannot participate in-person for another reason, and gathering feedback to refine the online curriculum as technology continues to adapt to the virtual hybrid learning environment. Staff will keep the Commission informed on the State's guidelines and whether the Program can move forward with in-person events.

*DISCUSSION:* Commissioner **Farr** said from the first day he heard about Clean Water University; he was a big fan. The progress staff has made since then is incredible. The adaptation of providing online curriculum is very exciting news and was mentioned during the presentation of the Board of County Commissioners meeting last week. Educating kids to be a cleaner generation is thrilling.

Commissioner **Yeh** said she completely agrees with Commissioner Farr. This is one of the few examples of turning lemons into lemonade that we have seen because of COVID-19. You may not have had time to create an online program, had it not been for other things you were incapable of doing. What a great opportunity to expand the program to schools who cannot be in-person or do not make the lottery. As this becomes inevitably more popular and we have to turn people away for the in-person event, this is a great second opportunity. This professional product is very much appreciated.

Commissioner **Inge** was excited about the expansion in the additional resources put into this program and how they have been used. You can see it, and it really makes a difference.

Mr. **Stouder** added that Ms. Miller and Ms. Spiro faced a lot of challenges associated with the pandemic while creating this curriculum and also getting schools interested. When we rolled this program out in February, people were coming back from the hybrid model. In some cases, teachers faced the challenges of COVID-19 outbreaks, and multiple transitions from hybrid learning to in-person schooling. It was a very challenging time to roll this program out and everyone did a great job.

Ms. **Spiro** informed the Commission that Brooke Mossefin, who is part of the communications team also helped. This was a team effort to get this curriculum built out online and while Ms. Mossefin did not help with the presentation today, she was a big part of the effort. To clarify, we actually had seven schools participate not eight, but even with seven schools it is a success considering the lottery can only accommodate ten.

### **KEY OUTCOME 1: REVISIT**

Matt Stouder updated the Commission on Key Outcome 1. This topic was previously discussed in the March MWMC meeting and relates to achieving and maintaining high environmental standards. The Commission liked the key outcomes and indicators but requested staff to look closer at the alignment between them. Staff amended the text for the ISO 14001 Program, added a new indicator on Climate Planning and added a new partnership opportunity for the Urban Water and Wildlife Partnership. Feedback and discussion at the March meeting were positive and the Commission agreed to continue the conversation.

Mr. Stouder displayed a table graph for indicators and performance, representing staff's best effort and estimate on what can be accomplished in the next one to two years. Based on the feedback, modifications were made to the NPDES Permit Renewal, specifically calling out plans associated with preparing updates to the plans. Staff do expect that to happen in FY20-22.

In regard to Climate Action Planning and the estimated actual this year, developing a policy statement or plan would be a challenge to complete by June. However, the completion of FY19-20 Greenhouse Gas Emissions Inventory was appropriate to put down there, along with Exploring Development of a Climate Action Statement Policy.

An indicator was added to Resource Recovery from the Commission wanting to affirm a commitment to reclaimed water use. This essentially expanded beyond reclaimed water to resource recovery, upholding MWMC's commitment. Creating the Key Outcome 1 document is difficult because it is supportive of the strategic plan, lives in the budget, has limited room for describing estimated to actual that support indicators, and does not provide opportunity for multiple pages of text. Staff reviewed the Resource Recovery and then decided on a target date, adding tasks such as the construction of the RNG Project and design of UV Disinfection for Recycled Water. Next year staff expects a full scale RNG production and construction of Class A Disinfection Facilities, with potential for more indicators added in the future.

Mr. Stouder requested feedback is from the Commission to receive a clear direction.

*DISCUSSION:* Commissioner **Ruffier** said he appreciated the work gone into revising this, but thought it was an outcome area we could benefit from additional work over the year. Keeping in mind the Commission's previous discussion they did not want to proliferate key outcomes, and there is a number of them on here intrinsic to the work we do. For instance, the average removal efficiency for CBOD.

That is something we could slide to the background on operational practices and replace it with something more strategically targeted to the future. Also, replacing the high quality biosolids with something that addresses the Poplar Farm and use of the poplar trees, rather than a list of constituents of the biosolids. Commissioner Ruffier was willing to come up with suggestions to submit to staff, then have discussions with the Commission throughout the year to revise these outcomes for next year.

Commissioner **Farr** said this is an understated presentation, based upon the strong emphasis all three jurisdictions involved in MWMC have on climate action. Each of the jurisdictions have their own form of Climate Action Plan, and what we are doing here at MWMC is a complete adjunct with the Climate Action Plan for Eugene and Lane County. Lane County should be linked into this to make certain people understand the powerful work being done by MWMC, in regard to major potential pollutants like wastewater and waste solids. We should not only look at the MWMC staff but also staff of the cities and county to link what you are doing here, with what our Climate Action Plan is.

Commissioner **Yeh** said it makes sense to get emissions inventory done and then discuss the developing a Climate Action Policy or statement. This will help us know where we are at when making decisions and decide where we want to go. Requesting to do more is understood, but we do not have a lot of staff time and some of these items are very time intensive. Even though it does not seem like that, at the City of Eugene we found our climate goals and climate work takes a lot more time than we anticipated. It is a good idea to regularly check in for updates and see if we want to make some adjustments to what we have planned. Mr. **Stouder** said a challenge in this conversation is what does Resource Recovery mean. How does the Commission know what the commitments are? Staff will create a one-page document to explain in detail the indicators, performance measures, justification, reasonings and costs. Part of the challenge is meeting on a monthly basis and incorporating the work we are doing, into the indicators to support the outcome. There is some wiggle room, but resources are tied up with limited support on the Administration side. The goal is to work through this year, then come back to the Commission in January 2022 and have a better idea of what the process will look like.

Commissioner **Keeler** wanted to reflect on what Commissioner Ruffier said earlier. While agreeing with the sentiment, the purpose of these environmental goals and metrics are to stretch above the operational level. Biosolids quality and wastewater contaminant removals are important and mundane and show what is expected of us and required in the permit. We can move beyond those, specifically the Environmental Management System. Part of that process and effort is identifying environmental impacts, to see if they are significant or less than significant. If this happens every year at the staff level, the results would be nice to see. If not, that is certainly an opportunity for us to ramp it up as a starting point, rather than the Commissioners.

Mr. **Stouder** said he would like to receive direction on making improvements to move forward and not bring this exact topic back to the Commission. This document is updated annually and is an ever-changing process, and what we can do now is make sure everyone is happy with it. Commissioner **Yeh** asked, are you wanting to know if we are happy with it the way it is, with the understanding we can make adjustments to it later on? Mr. **Stouder** said this document has been revised based on feedback in the last two MWMC meetings. With the potential for additional indicators and selecting indicator targets to make modifications based on today's discussion, staff can hopefully move forward based on today's discussion. However, we can certainly come back to the Commission if that is the direction they want to go.

Commissioner **Ruffier** said he was okay with that approach, as long as we hold open the option for ongoing considerations and discussions about changing the indicators throughout the year. It is okay to leave these indicators for reporting purposes through the budget year, but we still want to have occasional conversations about revising them or even replacing some of them for the next budget cycle.

Commissioner **Yeh** said if any Commissioners have a problem with this moving on, you need to say so now. Mr. **Stouder** said he can implement formatting changes, update the document, and then email it out to the Commission.

### **BUSINESS FROM COMMISSION**

Commissioner **Meyer** said the State has started the triennial review of their water quality standards for State of Oregon and published a list of priorities that is currently going through a hearing process. This information is on the DEQ website and contains emphasis on bicriteria, nutrients and impact of nutrients on the rivers. This could have an impact on MWMC in the future because Willamette River does have issues associated with that, and hopefully we can talk about it in the future. Maybe MWMC could bring us a summary of what they see coming down the road in that triennial review. Mr. **Stouder** said we can certainly look into that and provide some information.

### **BUSINESS FROM GENERAL MANAGER**

Matt Stouder said the communication staff is in the process of creating a MWMC partnership video. This video will convey the importance of what MWMC staff does for wastewater treatment, the importance of partnerships locally, and what it takes to make meaningful improvements to water quality. Staff interviewed the General Manager of SUB, General Manager for EWEB, Congressman DeFazio, local leaders in the industry, and others, and look forward to showing the Commission when it is complete.

The City of Eugene and Lane County Board ratified the MWMC's budget recently and Springfield will ratify the budget on Monday the 17<sup>th</sup>. After these take place, the budget will be brought to the Commission for final adoption.

Matt Stouder asked Todd Miller to give a high-level update on the permit renewal. Mr. Miller and Michelle Miranda teamed up to be lead communications for the MWMC permit renewal and will meet virtually with the DEQ permit writing team next Monday to discuss the next step. DEQ started the preliminary development of the MWMC permit and although not currently in the writing stages, they are running a reasonable potential analysis. This includes a statistical spreadsheet tool to reveal if staff have limits, what those limits are in the permit, and ensures the data DEQ and MWMC uses is up to date and accurate. DEQ has sent MWMC the preliminarily documents and none of the information was a big surprise. Mr. Miller and Ms. Miranda will deliver that information to the permit writing team and discuss the items DEQ identified as potential limits. This process will ensure the information is accurate, if it can be deferred, or whether the data can be looked at differently. At the Monday meeting staff emailed the permit writing team questions and considerations, hoping to come back with answers. The projected permit applicant review is due to MWMC sometime in July, and there is strategy between when the permit is coming out and when it is ideal for MWMC and DEQ staff to work on that.

Next month the MWMC meeting will be held via zoom. In regard to COVID-19, returning to work, wearing facemasks, working remotely and the best way to move forward; this is currently being discussed by the management team. MWMC meetings will continue via Zoom for the next few months.

**BUSINESS FROM WASTEWATER DIRECTOR**

Dave Breitenstein said DEQ is requiring additional monitoring of the toxics Cyanide, Dalit, and Tri Chlorophenol. By request staff processed four sets of samples every two months, and last month the final report was completed. The results were good as far as permit renewal processes and all results were non detecting, so the obligation is complete.

OSU researchers are studying COVID-19 in wastewater and included the information in their last webinar about the findings. The researchers are seeing correlations between COVID-19 and wastewater with the prevalence of cases. The researchers are moving towards more frequent sampling and have requested two samples a week, so they have more data to work with.

As mentioned before, there was a mishap last month in the laboratory because a contractor did not get some plumbing right. This unfortunately resulted in flooding and standing water in a portion of the newer Environmental Services Building. There is no presence of mold, and the contractor involved is taking ownership and working with their insurance provider to process a claim. MWMC will be reimbursed for expenses associated with that problem.

The close of April marks the end of the last winter season permit.

Commissioner **Yeh** adjourned the meeting at 9:30 am

# Metropolitan Wastewater MANAGEMENT COMMISSION



*partners in wastewater management*

## MEMORANDUM

**DATE:** June 3, 2021

**TO:** Metropolitan Wastewater Management Commission (MWMC)

**FROM:** Matt Stouder, MWMC Executive Officer

**SUBJECT:** Ratification of the Regional Wastewater Program Budget and Capital Improvements Program for Fiscal Year 2021-22

**ACTION REQUESTED:** Adoption of the final Regional Wastewater Program Budget and Capital Improvements Program for Fiscal Year 2021-22

### **ISSUE**

The FY 2021-22 (FY 21-22) MWMC Regional Wastewater Program (RWP) Budget and Capital Improvement Program (CIP) have been ratified by the City of Eugene, Lane County, and the City of Springfield, respectively on May 10, May 11, and May 17. The Commission's final adoption, which is scheduled for June 11 on the MWMC Consent Calendar, will complete the FY 21-22 budget and CIP adoption process.

### **BACKGROUND**

On April 9, 2021, via Resolution 21-03, the MWMC adopted the FY 21-22 Budget and CIP. Consistent with the Intergovernmental Agreement (IGA), MWMC then referred the Regional Wastewater Program Budget and CIP to the governing bodies for ratification, which they did. The City of Springfield is MWMC's financial agent; as such the MWMC Budget and CIP amounts are incorporated into the City's budget.

### **ACTION REQUESTED**

The Commission is requested to adopt the final FY 21-22 Regional Wastewater Program Budget and Capital Improvement Program as part of the June 11, 2021 Consent Calendar approval.

# Metropolitan Wastewater Management Commission



*partners in wastewater management*

## MEMORANDUM

**DATE:** June 3, 2021

**TO:** Metropolitan Wastewater Management Commission (MWMC)

**FROM:** Troy McAllister, Managing Civil Engineer

**SUBJECT:** Software Procurement for Capital Program

**ACTION REQUESTED:** Approve Resolution 21-05

### **ISSUE**

The MWMC is nearing the end of a software agreement with DLT Solutions, LLC for Constructware (Autodesk product) that is used to support the Capital Improvement Program (CIP). Staff requests Commission approval of Resolution 21-05 to negotiate and procure the use of a new software system.

### **BACKGROUND**

In 2005, the MWMC contracted with Heery International to provide recommendations on policies and processes to help further improve the MWMC CIP and prepare for implementation of the 2004 Facilities Plan. In 2006, staff solicited and evaluated three major project management software systems on the market and provided a recommendation to the Commission to enter into an agreement to use Constructware. Attachment 1 details the MWMC's history with Constructware to date.

In 2020, staff was notified that the vendor (Autodesk) was ending the use of the Constructware system in 2021. The Constructware software renewal agreement for MWMC ends on August 25, 2021.

In January of 2021, an informal Request for Information (RFI) was sent to ten software companies. The software companies were chosen by internet research, staff recommendations, and other public agencies' references. Of the ten, staff received nine responses to the RFI. Most of the software systems are internet cloud-based tools accessed by computer users that are granted controlled permissions and training. Example software users include the MWMC project managers, consultants, construction contractors, and project team members. Staff has three short-listed vendors under consideration based on the RFI responses, software demonstrations and other elements of the due diligence process.

The proposed MWMC FY 2021-22 Capital Program shows the intent to implement several projects costing approximately \$76 million in the next five years. Project management software is very helpful to support successful delivery of these projects.

### **DISCUSSION**

Staff is coordinating with Autodesk to move the Constructware electronic files to another software storage tool controlled by the MWMC representatives. Moving the MWMC project electronic files is anticipated in July and August of 2021.

Also, staff has investigated software partnership opportunities with three local Public Works agencies. The City of Springfield is interested in software partnering based on the terms and conditions of the negotiated software agreement. Staff plans to seek feedback from the MWMC legal team and Information Technology (IT) team during the process to negotiate and finalize the software agreement including controlling the vendor price for multiple years and cybersecurity details.

Staff is requesting Commission approval of Resolution 21-05 to proceed with procuring a new software user agreement to support the Capital Program. To the extent feasible, staff will seek to partner with the local Public Works agencies. The MWMC goods and services procurement rule is stated within Resolution 21-05.

The MWMC funding for the construction/project management software will be from the MWMC operating budget, as well as potential funding from a partnering agency such as City of Springfield.

### **ACTION REQUESTED**

By motion, approve Resolution 21-05.

### **ATTACHMENT**

1. Communication Memo dated December 4, 2020
2. Resolution 21-05

# Metropolitan Wastewater MANAGEMENT COMMISSION



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## MEMORANDUM

**DATE:** December 4, 2020

**TO:** Metropolitan Wastewater Management Commission (MWMC)

**FROM:** Jolynn Barker, Administrative Specialist  
Troy McAlister, Managing Civil Engineer

**SUBJECT:** Software Update (Autodesk - Constructware)

**ACTION  
REQUESTED:** Communication Packet

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### **ISSUE**

The Constructware software system used by the MWMC for capital project construction management will be discontinued after October 2021.

### **BACKGROUND**

In 2006, the MWMC contracted with Heery International to provide recommend policies and processes for the MWMC Capital Improvement Program. Heery recommended that the MWMC implement a web-based collaborative construction management software system to manage capital projects. Staff solicited and received proposals from three software providers. Autodesk- Constructware was chosen based on their monetary proposal, software features and services.

After approval of MWMC Resolution 06-04, staff signed a four-year contract on May 2, 2006 with Autodesk, Inc. for \$150,000, including Constructware software setup and training services. In 2011, the software renewal was extended for three years, until 2014, for a price of \$129,420. Another extension of three years was authorized and signed in 2015 for \$74,803. Finally, in 2019 and 2020, two separate one-year extensions were purchased for \$37,750 each, via a software reseller for the public sector.

On October 5, 2020, the Autodesk Constructware vendor announced that will be discontinuing the Constructware after October 31, 2021. The vendor notification is provided in Attachment #1.

### **DISCUSSION**

The MWMC's existing renewal agreement to use Constructware is set to expire on April 25, 2021, unless extended. The extension, if pursued, will not extend beyond the October 25, 2021 date due to the discontinuance of the software. Staff has been, and is continuing to research software options, features and cost information for alternative construction management software options to supersede the Constructware platform. Concurrently, staff is confirming the MWMC software procurement options with legal counsel.

Staff plans to update the Commission in early 2021 after additional information is gathered.

### **ATTACHMENT**

1. Administrative Notice – Autodesk Constructware End of Life Statement

**Administrative Notice**

**From** Constructware Team **Date Range** 10/5/2020 to 10/31/2021  
**Category** General Constructware Notice **For** All Users  
**Subject** Autodesk Constructware End of Life Statement

**Message**

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Dear Customer,

As part of Autodesk's continuous mission to develop and advance our construction cloud and project management tools, we've decided to discontinue Constructware® by October 31, 2021. After this date, you will no longer be able to access or use Constructware. In addition, starting November 1, 2020, we will be changing the maximum subscription renewal duration to six months. The final date to renew a Constructware subscription will be April 30, 2021.

To assist with this transition and to minimize any impact on your business-critical workflows, your account team will be contacting you on how to transition from Constructware to an alternative solution and provide an overview of the different options. Furthermore, we understand that archiving data is a priority. As part of our transition process, we are implementing an archive workflow to allow access to all your Constructware data.

- If you have simple archive needs, you can utilize the familiar archiving option of downloading your data directly from Constructware.
- If you are looking for a full archive of your Constructware data, we recommend using the archive tool being developed by Autodesk to streamline this effort.

As you start thinking about new construction software solutions, we'd like to offer our help in selecting the right solution for you. Your account team will be in touch to discuss your needs, and in the meantime, you can have a look at what the [Autodesk Construction Cloud](#) has to offer.

If you have questions before hearing from your account team, please feel free to contact us at [constructware.transition@autodesk.com](mailto:constructware.transition@autodesk.com) or read our Frequently Asked Questions (FAQ) from this [link](#).

Thank you for being a loyal Constructware user.

# Metropolitan Wastewater MANAGEMENT COMMISSION



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## METROPOLITAN WASTEWATER MANAGEMENT COMMISSION

**RESOLUTION 21-05** ) **IN THE MATTER OF GOODS/SERVICES**  
) **PROCUREMENT AND EXECUTIVE OFFICER**  
) **AUTHORITY TO NEGOTIATE SOFTWARE**  
) **AGREEMENT(S)**

**WHEREAS**, in 2018, the Metropolitan Wastewater Management Commission (MWMC), pursuant to Resolution 18-02, executed agreements with DLT Solutions, LLC for the provision of Constructware software (Autodesk product);

**WHEREAS**, the software renewal agreement with DLT Solutions, LLC expires on August 25, 2021 (software end of life in 2021) and MWMC has used Constructware software since 2006 (15 years);

**WHEREAS**, the capital program team uses software for MWMC project delivery during planning, design, and construction;

**WHEREAS**, the MWMC upcoming five-year capital program is estimated at \$76.6 million;

**WHEREAS**, the MWMC intends to procure construction/project management software through an intermediate procurement pursuant to ORS 279B.070 and the MWMC Procurement Rule 137-047-0270 by seeking at least three informally solicited competitive price quotes or competitive proposals from prospective vendors;

**WHEREAS**, staff estimates that the cost for multiple-year agreement(s) for construction/project management software is no more than \$150,000;

**WHEREAS**, MWMC representatives have offered software partnership considerations with the MWMC partners (Eugene, Springfield, Lane County);

**WHEREAS**, staff requested vendor information from ten software providers, received responses from nine, and short listed the vendors based on a due diligence process including but not limited to user reference feedback, cybersecurity details, cost, user friendly system, software features, user training program, etc.;

**WHEREAS**, staff anticipates having a long-term software relationship based on performance of the preferred vendor product and services;

**WHEREAS**, the MWMC has appointed a duly authorized Executive Officer for the efficient execution of day-to-day administration of the MWMC business and the Executive Officer may name an authorized designee.

**NOW, THEREFORE, BE IT RESOLVED BY THE METROPOLITAN WASTEWATER MANAGEMENT COMMISSION THAT:**

The duly authorized MWMC Executive Officer, or the authorized designee, is hereby authorized to: (a) negotiate and execute software agreement(s) for construction/project management software for an authorized amount not to exceed \$150,000, and (b) as needed, execute amendments to the agreement(s) not to exceed \$22,500 [total approved authority of \$172,500 per MWMC Procurement Rule 137-047-0270], and (c) ensure deliverables meet the software agreement(s).

**ADOPTED BY THE METROPOLITAN WASTEWATER MANAGEMENT COMMISSION OF THE SPRINGFIELD/EUGENE METROPOLITAN AREA ON THE 11<sup>th</sup> DAY OF JUNE 2021.**

Digital Signature:

\_\_\_\_\_  
Jennifer Yeh, MWMC President

Digital Signature:

Approved as to form: \_\_\_\_\_  
KC Huffman, MWMC Legal Counsel

Digital Signature:

Attest: \_\_\_\_\_  
Josi Brennan, MWMC Secretary

# Metropolitan Wastewater MANAGEMENT COMMISSION



*partners in wastewater management*

## MEMORANDUM

**DATE:** June 3, 2021

**TO:** Metropolitan Wastewater Management Commission (MWMC)

**FROM:** Katherine Bishop, Environmental Services Program Manager

**SUBJECT:** Property Insurance Renewal

**ACTION REQUESTED:** Authorize and direct the MWMC Executive Officer to enter into agreements for insurance coverage to be effective on July 1, 2021

### **ISSUE**

The Metropolitan Wastewater Management Commission's current property insurance coverage will expire on June 30, 2021. The MWMC's insurance agent of record is Brown & Brown Northwest (BBNW). Ron Cutter, Senior Vice President/NW Public Sector Practice Leader and BBNW staff have obtained property insurance coverage pricing for discussion and consideration.

### **BACKGROUND**

The MWMC carries insurance policies that provide risk insurance coverage, including property insurance and liability insurance.

*Liability Insurance* – At the December 11, 2020 meeting, the Commission authorized the MWMC General Manager to enter into an agreement for liability (casualty) insurance coverage for the 2021 calendar year effective January 1, 2021. This policy covers general liability, administrative liability, public officials' liability, non-owned and hired automobile liability, hired automobile physical damage, and umbrella/excess liability.

*Property Insurance Coverage* - Generally covers physical loss to buildings, equipment and systems, underground sewer pipelines, electronic data processing, and business personal property of the Commission. The current property insurance also includes earthquake and flood coverage. The MWMC maintains insurance coverage levels including: a policy limit and flood coverage at \$100 million, earthquake coverage at \$50 million, and sewer pipes including underground pipes at a sublimit of \$10 million. The property insurance deductible is \$250,000 (with some exceptions) per occurrence; as such, the MWMC is self-insuring for potential losses below the deductible amount(s).

**DISCUSSION**

Property Asset Values – The total insured value of the MWMC’s assets is \$337.5 million in FY 2021-22, representing a net increase of \$1.65 million in property and mobile equipment when compared to the prior year. The increase in total asset value takes into consideration added/upgraded and/or removed systems, equipment, infrastructure, and mobile equipment.

The current MWMC statement of values includes projected costs for the Renewable Natural Gas project at \$8.5 million with builders’ risk/course of construction coverage currently, and insurance coverage at project completion.

Property Insurance – Due to the \$337.5 million in assets and coverage levels for flood and earthquake, many insurance providers do not have the capacity to provide insurance coverage to meet the standard MWMC coverage levels for flood, earthquake, and underground pipes. At this time last year, the Commission approved property insurance renewal with Starr Technical Risks Agency effective July 1, 2020 through June 30, 2021 on a one-year renewal, with a total of \$50M in earthquake coverage.

It is important to note that Starr Technical Risks Agency property coverage includes earthquake at \$50 million. Additional Difference in Conditions (DIC) earthquake coverage is available and can be provided by separate insurance providers to add to the current \$50 million in earthquake coverage, if desired. Please note DIC earthquake coverage does not include: (1) underground pipes, (2) extra expense, and (3) course of construction projects -- as they are excluded from the DIC policies.

The table below provides the property insurance pricing from Starr Tech with property insurance including a policy limit of \$100 million, a flood sublimit of \$100 million, an earthquake sublimit of \$50 million, and a sewer pipes sublimit of \$10 million.

Property Coverage	thru June 30, 2021	July 1, 2021
	Expiring	Recommended
<b>Program Pricing</b>	<b>\$50M Earthquake</b>	<b>\$50M Earthquake</b>
Starr Tech / ACE America All Risk Property Insurance includes \$50M EQ	\$285,964	\$334,693
DIC Earthquake at \$25M	\$0	\$0
<b>TOTAL Premium</b>	<b>\$285,964</b>	<b>\$334,693</b>
Cost difference compared to Expiring		\$48,729
% of cost difference to Expiring		17.0%
Property Insurable Values	\$335,898,500	\$337,550,791

The property insurance pricing above does not include agent commissions, as the MWMC agent of record services are based on an annual fee paid directly by the MWMC.

*Fiscal Impact and Renewal* – The approved FY 2021-22 MWMC budget includes funding programmed for property and liability insurance, the MWMC agent of record service expense is based on an annual fee, plus other insurance related services. Staff will return to the Commission in late 2021 regarding general (casualty) liability insurance coverage for the 2022 calendar year.

Renewal includes the property insurance coverage effective July 1, 2021 for the FY 2021-22, with Starr Technical / Ace America All Risk agreement including \$50M in earthquake coverage (EQ), at a premium of \$334,693.

At the meeting, staff will provide additional information and Ron Cutter, Senior Vice President/NW Public Sector Practice Leader at BBNW will be available virtually to participate in the meeting discussion.

**ACTION REQUESTED**

After review and discussion, the Commission is requested by motion, to authorize and direct the MWMC Executive Officer to enter into agreements to secure property insurance coverage for the period of July 1, 2021 through June 30, 2022.

# Metropolitan Wastewater MANAGEMENT COMMISSION



*partners in wastewater management*

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## MEMORANDUM

**DATE:** June 3, 2021

**TO:** Metropolitan Wastewater Management Commission (MWMC)

**FROM:** Loralyn Spiro, Lead Communications Coordinator  
April Miller, Communications Coordinator

**SUBJECT:** Public Information Program Update

### **ACTION**

**REQUESTED:** Informational and Discussion

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### **ISSUE**

At the June 11 Commission meeting, staff will present an update on the status of the MWMC's public information program, including progress towards meeting goals and strategies identified in the MWMC Communications Plan (updated in 2020 based on the second round of community market research). The presentation will provide an overview of activities completed or underway, as well as a preview of tactics to be worked on the remainder of 2021 and into 2022. As part of this annual update, staff will also provide a deep dive into the 2020 MWMC Annual Report as requested by the Commission.

### **BACKGROUND**

Objectives, strategies, and tactics for the MWMC Communications Plan were set by observing Commission Goals and particularly those objectives set within Key Outcome #5 – Achieve and maintain public awareness and understanding of the MWMC, the regional wastewater system, and the MWMC's objectives of maintaining water quality and a sustainable environment. The results of the 2019/2020 community market research also helped to share the Communication Plan, and in particular the addition of a fifth strategy.

The 2021 Communications Plan contains five overarching strategies:

1. Increase community understanding of the connection between well-managed wastewater services and a healthy local environment.
2. Raise awareness of the MWMC as a leader in water resources management, specifically in wastewater treatment practices and expertise.
3. Increase community understanding of how their behavior and practices affect the health of local waterways and what they can do to help protect our environment.

4. Strengthen communications by evaluating the effectiveness of strategies/tactics implemented.
5. Increase awareness of the importance of having clean water now and in the future, and the steps it takes to clean water.

Examples of the tactics and information staff plans to cover in the presentation at the June 11 meeting includes:

- Overview of ongoing education, outreach, and public relations efforts including newsletter, website, brochures, and news releases
- Insights on the continued growth of the MWMC social media platforms; particularly Facebook and Instagram
- Outcomes from sponsorships and associated benefits received and additional expansion with a sixth sponsorship slated
- In-depth review of the 2020 MWMC Annual Report
- Progress of storytelling tactics including the creation of videos with a short preview clip of the Partnership video

**ACTION REQUESTED**

This memo is being presented for informational purposes. No specific actions or decisions are being requested from the Commission at this time.

# Metropolitan Wastewater MANAGEMENT COMMISSION



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## MEMORANDUM

**DATE:** June 3, 2021

**TO:** Metropolitan Wastewater Management Commission (MWMC)

**FROM:** Katherine Bishop, Environmental Services Program Manager  
Valerie Warner, MWMC Accountant

**SUBJECT:** Key Outcome 2

**ACTION  
REQUESTED:** Provide input and direction to staff on Key Outcome 2 and associated Performance Indicators

### **ISSUE**

Staff presented the proposed FY 2021-22 Key Outcomes at the January 8, 2021 meeting. After review and discussion, the Commission agreed to continue discussion with respect to Key Outcomes at future Commission meetings.

### **BACKGROUND**

Each year in January, staff begins the budget development process by providing the Commission with a presentation on the MWMC's five Key Outcomes and associated Indicators. The presentation includes an overview on performance with respect to the Indicators over the past fiscal year (actual), current fiscal year (estimated actual) and upcoming fiscal year (target).

At the January 8, 2021 meeting, the Commission requested staff revisit the draft Performance Indicators associated with the Key Outcomes to better align with the overarching goal of each outcome. Staff suggested, and the Commission agreed, to review the Key Outcomes individually over the course of calendar year 2021 during regular Commission meetings as agenda time allows.

At the May 14, 2021 Commission meeting, staff presented the Commission with draft revisions to Key Outcome 1 for consideration and discussion. Key Outcome 1 relates to environmental standards, with specific language as adopted in the RWP budget each year of "*Achieve and maintain high environmental standards.*"

## **DISCUSSION**

At the June 11, 2021 Commission meeting, staff will discuss Key Outcome 2 – *“Achieve and maintain fiscal management that is effective and efficient”* providing additional indicators and performance measures for Commission consideration and input on Attachment 1.

The indicators listed in Attachment 1 represents staff efforts to better align them with Key Outcome 2 and the MWMC’s Strategic Plan. At the Commission meeting staff plans to discuss Attachment 1, including proposed indicators for consideration per the MWMC Strategic Plan: (1) Maintain sound financial practices; and/or (2) Ensure rates and rate changes are planned, moderate and incremental; and/or (3) a Debt to Equity ratio to measure results.

## **ACTION REQUESTED**

Review and provide direction to staff regarding moving forward with Draft Key Outcome 2 and associated performance indicators, on Attachment 1.

## **ATTACHMENT**

1. Draft Key Outcome 2

**Outcome 2: Achieve and maintain fiscal management that is effective and efficient.**

Indicators:	Performance:		
	FY 19-20 Actual	FY 20-21 Estimated Actual	FY 21-22 Target
• Annual budget and rates align with the MWMC Financial Plan	Policies met	Policies met	Policies met
• Annual audited financial statements	Clean audit	Clean audit	Clean audit
• Uninsured bond rating	AA	AA	AA
• Reserves funded at target levels per the MWMC Financial Plan	Yes	Yes	Yes
<b>NOTE:</b> Indicator options and performance are listed below:			

• Maintain Sound Financial Practices per the MWMC Financial Plan			Yes
• Ensure rates and rate changes are planned, moderate and incremental <i>(to avoid rate spikes)</i>			3.5%
• Debt to Equity Ratio <i>(Total debt divided by total equity)</i>			0.3