L.A. Water Cooperative Annual Meeting

MARCH 27, 2019

Agenda

- Welcome & Introduction
 - Don Wicks
- Secretary's Report
 - ► Linda Fountain
- Treasurer's Report
 - ▶ Thomas Gunn
- Open Board Positions (3)
 - Candidates
- System Status
 - Kris Conway
- Objectives for 2019 and Beyond
 - Kris Conway
- Election Results
- Adjourn

Board Organization

- ▶ Don Wicks
- ▶ Ken Aberle
- ► Linda Fountain
- ► Tom Gunn
- Megan Corvus
- ► Lisa Dutz
- Mark Franzen
- David McAdams
- Mike Steffl

President/Chairman

Vice-President

Secretary

Treasurer

Staff

Kris Conway

Kyle Culley

Mason Childers

Jerry Nethken

Patricia Carr

Wendy Nethken

General Operations Manager

Water Utility Worker

Laborer, Part-Time

Electrician/ Telemetry Programmer

Business Manager

Office Assistant, Part-Time

Secretary's Report

- ▶ 2018 Annual Meeting Minutes
- Motion to Approve

2018 Financial Overview

	2017	2018	2017 to 2018 Difference
RevenueOperating Expenses	\$795,926 \$758,048	\$836,086 \$883,372	+\$ 40,160 +\$ 125,324
 Other Income (Interest, transfers, meter hook ups, service calls) 	\$ 10,659	\$ 15,613	+\$ 4,954
Net Income (loss)	\$48,537	- \$ 31,673	-\$ 80,210

2018 Income Changes

► Income	2017	2018	2017 to 2018 Difference
Water Sales	\$795,194	\$836,086	+\$ 40,892
Inactive Certificate Fee	\$ 28,557	\$ 28,864	+\$ 307
Certificate Transfer Fee	\$ 4,279	\$ 5,296	+\$ 1,017
Investment Income	\$ 3,280	\$ 3,346	+\$ 66
(Money Market, CD's)			
Meter Hook-up Fee &	\$ 3,714	\$ 6,246	+\$ 2,532
Service Calls			

2018 Expense Changes

Expenses	2017	2018	2017 to 2018
			Difference
Cost of Water	\$193,886	\$188,258	- \$ 5,628
Maintenance and Repair	\$122,863	\$140,443	+\$ 17,580
Professional Fees	\$ 25,696	\$ 34,065	+\$ 8,369
Electricity	\$ 50,932	\$ 53,215	+\$ 2,283
Continuing Education	\$ 155	\$ 2,102	+\$ 1,947
Vehicle Expense	\$ 19,736	\$ 21,942	+\$ 2,206
Licenses and Permits	\$ 582	\$ 2,811	+\$ 2,229
Insurance	\$ 17,413	\$ 18,431	+\$ 1,018
Payroll & Related Exp.	\$201,081	\$292,874	+\$ 91,793
Shop Supplies & Small Tools	\$ 3,288	\$ 5,539	+\$ 2,251
Depreciation	\$ 99,258	\$101,084	+\$ 1,826

Balance Sheet Comparison

	2017	2018	2017 to 2018 Differences
Current Assets(Bank Accts. and CDs)	\$1,132,047	\$ 948,260	-\$ 183,787
Fixed Assets	\$1,780,676	\$1,965,355	+\$ 184,679
Total Liabilities	\$ 35,776	\$ 47,984	+\$ 12,208
Members Equity	\$1,935,290	\$1,955,647	+\$ 20,357
Total Liabilities & Equity	\$2,912,723	\$2,913,615	+\$ 892

Rate Changes

Water Rates	2017	2018	2017 to 2018 Difference		
Monthly Minimum	\$34.45	\$50.00	+\$15.55		
Water Rates			+10%		

Fee Changes

	2018	2019	2018 to 2019 Difference
Meter Hookup Fee	\$ 740	\$1,500	\$ 760
Unused Certificate	\$ 263.10	\$ 300	\$ 36.90
24-hour notice door har	nger \$ 0	\$ 50	\$ 50
Shut off fee	\$ 38.11	\$ 50	\$ 11.89
Restore Service fee	\$ 38.11	\$ 50	\$ 11.89
Restore Service after ho	urs \$ 0	\$ 200	\$ 200
Predesign conference	\$ 626.40	\$ 650	\$ 23.60

2019 Operations Budget

		2018 Actual	2018 Budget	2019 Budget	2018 to 2019 Budget Difference		
>	Revenue	\$ 851,699	\$916,718*	\$1,043,650	\$ 126,932		
•	Expenses	\$ 883,372	\$912,288	\$1,028,677	\$ 116,389		
>	Profit/Loss	-\$ 31,673	\$ 4,430	\$ 14,973	\$ 10,543		

^{*}Budget was adopted in February, rates were not raised until June 1, 2018 so water revenue was lower than budgeted.

Candidate Introductions Three 3-Year seats

Mark Franzen

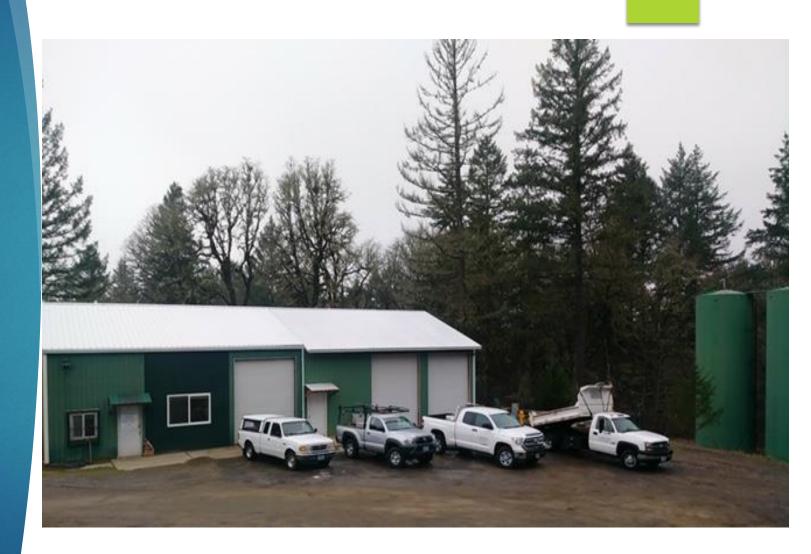
Operations Manager

Kris Conway

Certificates 2000 - 2018

Year	Certificates	Active	Inactive	New Certificates
2018	874	768	106	0
2017	874	764	110	3
2016	871	757	114	3
2015	868	745	123	2
2014	866	740	126	0
2013	866	736	130	5
2012	861	732	129	0
2011	861	729	132	0
2010	861	729	132	2
2009	859	729 130		3
2008	856	722	134	7
2007	849	717	132	5
2006	844	711	133	8
2005	836	706	130	11
2004	825	692	133	3
2003	822	679	143	8
2002	814	676	138	2
2001	812	672	140	6
2000	806	662	144	9

- Introduction
- System Overview
- Water Quality
- •2018 Accomplishments
- •2019 Plans



System Overview

- L. A. Water Co-op service area covers approximately 26 square miles of the Chehalem Valley in rural southwestern Washington County and northern Yamhill County.
- The service area ranges in elevation from 180 feet on the valley floor to 1,620 feet on Bald Peak.
- L. A. Water has 16 reservoirs, 15 pump stations and over 80 miles of rural pipeline.
- L. A. Water Co-op delivered 68,989,650 gallons of water to 768 member households in 2018.

Water Source

- L. A. Water Co-op purchases all of its water from the City of Hillsboro Utilities Commission.
- Hillsboro relies on water stored in Barney Reservoir and Hagg Lake.
- The water is treated at the Joint Water Commission Treatment Plant. And also an auxiliary emergency source on the upper Tualatin River(Cherry Grove). Both plants operate 24 hours per day, 365 days per year.

2018 Water Quality

Water Testing

Daily chlorine residual samples at 2 sites

Two coliform bacteria samples per month

Quarterly Disinfection by-product samples

All water tests PASSED EPA and Oregon Health Department standards

2017 Water Tests

2018 WATER QUALITY REPORTS WILL BE PUBLISHED JULY 1, 2019.

CURRENT WATER TEST RESULTS CAN BE FOUND AT

HTTPS://YOURWATER.OREGON.GOV/

2017 Sampling Results

REGULATED SUBSTANCE	ES			JWC Water Treatment Plant		Slow Sand	Slow Sand Filter Plant			
Substance	Unit of Measure	Year Sampled	MCL (MRDL)	MCLG (MRDLG)	Amount Detected	Range Low-High	Amount Detected	Range Low-High	Violation?	Typical Source
Chlorine Chromium	ppm ppm	2017 2017	4 0.1	4 0.1	1.31 ND	0.94-1.31 ND	1.74 ND	1.1-1.74 ND		Additive controls microbes Erosion of natural deposits
Nitrate (as Nitrogen)	ppm	2017	10	10	0.49	0.12-0.49	0.06	0.05-0.06		Runoff from fertilizer
Barium	ppm	2017	2	2	0.005	0.003-0.005	ND	ND		Erosion of natural deposits
MICROBIOLOGICAL TEST	TING & TREATM	ENT CONSIDERATIO	NS							
E. coli	Presence or Absense	2017	0	0	0	0	0	0		Human and animal fecal waste
Total Organic Carbons Turbidity Turbidity	ppm NTU NTU	2017 2017 2017	TT TT TT	NA NA NA	1.74 0.09 100%	0.49-1.74 0.02-0.09 100%	0.59 0.52 100%	0.46-0.59 0.05-0.52 100%		Naturally present in environment Soil run-off Soil run-off
(Lowest monthly % of sam		it)								
DISINFECTION BY-PROD	<u> </u>	2017	0.0	NI A	26.7	125 410	17.4	45.0.22.6		
Total Trihalomethanes Haloacetic Acid	ppb ppb	2017 2017	80 60	NA NA	36.7 30.9	13.5-41.9 15.3-36.6	17.4 18.6	15.0-22.6 14.4-22.2		By-product of chlorination By-product of chlorination
LEAD AND COPPER TEST	ING									
Substance	Unit of Measure	Year Sampled	Action Level (AL)	MCLG (MRDLG)	Amount Detected 90th Percentile	Sites Above AL	Amount Detected 90th Percentile	Sites Above AL	Violation?	Typical Source
Lead	ppb	2015	15	0	2.5	0	4	1	No	Corrosion of plumbing
Copper	ppm	2015	1.3	1.3	0.1095	0	0.113	0	No	Erosion natural deposits
OTHER ITEMS OF INTER	EST									
Substance	Year	Range (mg/L)		Substance	Year	Range (mg/L)		Others of Items Interest:		Range (mg/L)
Aluminium	2017	0-0.1		Orthophosphate	2017	ND-0.01	_	Fluoride:	Hillsboro does not	Fluoridate
Ammonia	2017	ND		Silica	2017	14.6-16.6	<u>-</u>	Hardness:	18-44 mg/L = grain	
Calcium	2017	4.63-5.81		Sodium	2017	3.39-11.1	_	pH:	(Normal range) 7.4	-8.0
Chloride	2017	3.9-4.3		Sulfate	2017	1.2-14.6	_			
Magnesium	2017	1.59-2.02		Manganese	2017	ND-0.004	_			

During the past year we have taken hundreds of water samples in order to determine the presence of any biological, inorganic, or synthetic organic contaminants. The table shows only contaminants that were detected and are considered a risk to health if over the Maximum Contaminant Level (MCL). Although all detections listed here are well under the Maximum Contaminant Level (MCL), it is important to us that you know exactly what was detected and how much of the substance was present in the water. A more detailed list of sampling completed in 2017 is available on the Joint Water Commission website at JWCWater.org.

2017

Iron

ND-0.01

2018 Accomplishments

PROJECTS

- Meter Program completed
- Water Master plan completed
- Formal Water Rate Study started
- Tank inspections half completed
- Bald Peak PRV replacement
- System ARV (air relief valve) program
- Website update (http://www.lawatercoop.org)

Master Plan

WHAT IS IT
WHERE DO I FIND IT?
WHAT DOES IT MEAN

Water Loss Comparison

	L. A. Water Cooperative Water Loss Table 2017							
Month # of days	Gallons Purchased*	Gallons Sold**	Gallons Loss	GPM Loss	Percentage Loss	Cost of Loss***		
January 26	6,970,023	3,819,270	3,150,753	84.15	45.2%	\$ 5,860.40		
February 28	6,822,182	3,186,630	3,635,552	90.17	53.3%	\$ 6,762.13		
March 37	8,539,268	4,581,360	3,957,908	74.29	46.3%	\$ 7,361.71		
April 28	6,034,012	3,176,030	2,857,982	70.88	47.4%	\$ 5,315.85		
May 27	6,396,989	4,024,890	2,372,099	61.01	37.1%	\$ 4,412.10		
June 35	10,975,247	7,837,530	3,137,717	62.26	28.6%	\$ 5,836.15		
July 29	11,193,304	8,837,060	2,356,244	56.42	21.1%	\$ 4,382.61		
August 35	14,402,096	10,927,850	3,474,246	68.93	24.1%	\$ 6,462.10		
September 27	9,465,139	6,510,230	2,954,909	76.00	31.2%	\$ 5,496.13		
October 29	7,723,091	4,216,850	3,506,241	83.96	45.4%	\$ 6,609.26		
November 34	8,371,817	4,526,740	3,845,077	78.54	45.9%	\$ 7,247.97		
December 29	6,568,480	3,466,150	3,102,330	63.36	47.2%	\$ 5,847.89		
Yearly Totals	103,461,648	65,110,590	38,351,058	72.50	37%	\$ 71,594.31		

L. A. Water Cooperative
Water Loss Table
2018

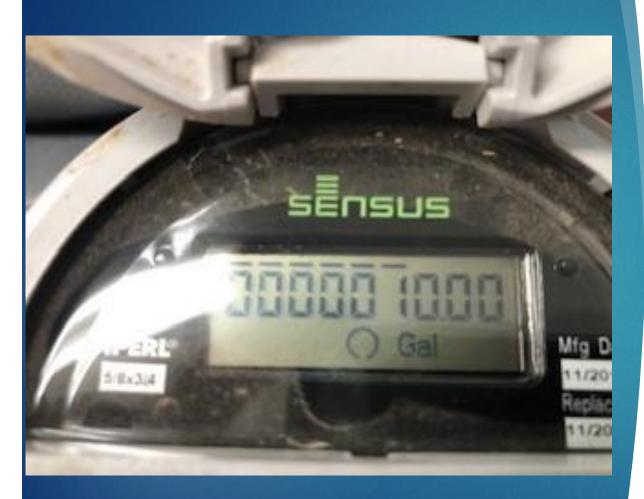
	Month	Gallons	Gallons	Gallons	GPM	Percentage	Cost of	
	# of days	Purchased*	Sold**	Loss	Loss	Loss		Loss***
ſ								
	January	6,527,001	3,101,680	3,425,321	88.10	52.5%	\$	6,456.73
	27							
	February	9,579,801	3,869,010	5,710,791	113.31	59.6%	\$	10,764.84
	35							
	March	6,315,317	3,549,170	2,766,147	71.15	43.8%	\$	5,214.19
	27							
	April	5,668,775	4,416,990	1,251,785	31.05	22.1%	\$	2,359.61
	28							
	May	9,231,425	7,183,290	2,048,135	41.83	22.2%	\$	3,860.73
	34							
	June	8,941,780	6,849,630	2,092,150	53.81	23.4%	\$	3,943.70
	27							
1	July	11,555,189	9,580,380	1,974,809	47.29	17.1%	\$	3,722.51
	29							
	August	14,162,215	11,541,230	2,620,985	52.00	18.5%	\$	4,940.56
	35							
	September	7,596,528	5,831,950	1,764,578	45.39	23.2%	\$	3,326.23
	27							
	October	8,537,121	5,842,740	2,694,381	53.46	31.6%	\$	5,078.91
L	35				_			
	November	5,120,229	3,759,730	1,360,499	32.58	26.6%	\$	2,564.54
L	29							
ı	December	5,242,812	3,463,850	1,778,692	41.18	33.9%	\$	3,353.34
	30							
	V	00.470.400	60 000 650	00,400,070	FF 60	900/	•	FF F0F 00
	Yearly Totals	98,478,193	68,989,650	29,488,273	55.93	30%	\$	55,585.90

New water loss tracker

L. A. Water Cooperative Water Loss Table									
2019									
Month	Ga	llons Gallo			Total	GPM	Percentage	Cost of	Cost of
,,		nased* Solo	** Unbilled		Unaccounted	Unaccounted	of	Events	Unaccounted
# (of days			Loss est.	for Gallons	for Water	Unaccounted		for Water***
January	6,125, ⁻	32 3,839,970	2,285,162	378.640	1,906,522	41.37	31.13%	\$713.74	\$3,593.79
Í	32								
February	6,643,4 30	3,457,930	3,185,490	202,730	2,982,760	69.05	44.90%	\$423.71	\$6,233.97
March	00								
• "									
April									
May									
June									
July									
July									
August									
September									
October									
November									
December									
Yearly Totals	12,768,	7,297,900	5,470,652	581,370	4,889,282	55.21	38.01%	\$1,137.44	\$9,827.76

You the MEMBERS

METER DETAILS





2019 And Beyond

- **2019**
- Capital Improvement Program
- Phase two of meters completed
- Water rate study finalized
- Tank inspections completed
- Leak Detection Program finalized

- Beyond
- Jordan Utilization Project
- Bald Peak Reservoir upgrade
- Added projects undetermined from Water Master Plan
- Leak Detection Program implemented

Thank you for coming.