



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 President/Chairman
- ▶ Ken Aberle Vice-President
- ▶ Linda Fountain Secretary
- ▶ Tom Gunn Treasurer
- ▶ Megan Corvus
- ▶ Lisa Dutz
- ▶ Mark Franzen
- ▶ David McAdams
- ▶ Mike Steffl

Staff

- ▶ Kris Conway General Operations Manager
- ▶ Kyle Culley Water Utility Worker
- ▶ Mason Childers Laborer, Part-Time
- ▶ Jerry Nethken Electrician/ Telemetry Programmer

- ▶ Patricia Carr Business Manager
- ▶ Wendy Nethken Office Assistant, Part-Time

Secretary's Report

- ▶ 2018 Annual Meeting Minutes
- ▶ Motion to Approve

2018 Financial Overview

	2017	2018	2017 to 2018 Difference
▶ Revenue	\$795,926	\$836,086	+\$ 40,160
▶ Operating Expenses	\$758,048	\$883,372	+\$ 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 (Money Market, CD's)	\$ 3,280	\$ 3,346	+\$ 66
► Meter Hook-up Fee & Service Calls	\$ 3,714	\$ 6,246	+\$ 2,532

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 hanger	\$ 0	\$ 50	\$ 50
▶ Shut off fee	\$ 38.11	\$ 50	\$ 11.89
▶ Restore Service fee	\$ 38.11	\$ 50	\$ 11.89
▶ Restore Service after hours	\$ 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/](https://yourwater.oregon.gov/)

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 # of days	Gallons Purchased*	Gallons Sold**	Gallons Loss	GPM Loss	Percentage Loss	Cost of Loss***
January 27	6,527,001	3,101,680	3,425,321	88.10	52.5%	\$ 6,456.73
February 35	9,579,801	3,869,010	5,710,791	113.31	59.6%	\$ 10,764.84
March 27	6,315,317	3,549,170	2,766,147	71.15	43.8%	\$ 5,214.19
April 28	5,668,775	4,416,990	1,251,785	31.05	22.1%	\$ 2,359.61
May 34	9,231,425	7,183,290	2,048,135	41.83	22.2%	\$ 3,860.73
June 27	8,941,780	6,849,630	2,092,150	53.81	23.4%	\$ 3,943.70
July 29	11,555,189	9,580,380	1,974,809	47.29	17.1%	\$ 3,722.51
August 35	14,162,215	11,541,230	2,620,985	52.00	18.5%	\$ 4,940.56
September 27	7,596,528	5,831,950	1,764,578	45.39	23.2%	\$ 3,326.23
October 35	8,537,121	5,842,740	2,694,381	53.46	31.6%	\$ 5,078.91
November 29	5,120,229	3,759,730	1,360,499	32.58	26.6%	\$ 2,564.54
December 30	5,242,812	3,463,850	1,778,692	41.18	33.9%	\$ 3,353.34
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	Gallons Purchased*	Gallons Sold**	Gallons Unbilled	Event Gallons Loss est.	Total Unaccounted for Gallons	GPM Unaccounted for Water	Percentage of Unaccounted	Cost of Events	Cost of Unaccounted for Water***
# of days									
January	6,125,132	3,839,970	2,285,162	378,640	1,906,522	41.37	31.13%	\$713.74	\$3,593.79
32									
February	6,643,420	3,457,930	3,185,490	202,730	2,982,760	69.05	44.90%	\$423.71	\$6,233.97
30									
March									
April									
May									
June									
July									
August									
September									
October									
November									
December									
Yearly Totals	12,768,552	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.