



**Oak Lodge Water District Office  
14496 SE River Road  
Oak Grove, OR 97267  
December 18th, 2018 at 6:00 p.m.**

1. Call to Order and Flag Salute
2. Call for Public Testimony

Members of the public are welcome to testify for a maximum of three minutes on each agenda item.

3. Interviews for Budget Committee members
4. Consent Agenda
  - November 2018 Financial Reports
    - Approval of November 2018 Check Run
  - October 25, 2018 Special Board Meeting Minutes
  - November 15, 2018 Special Board Meeting Minutes
  - November 20, 2018 Board Meeting Minutes
5. Appointment of Budget Officer
6. Appointment of Budget Committee members 2019/2020
7. Adoption of Budget Calendar 2019/2020
8. Budget Amendments 2018-2019 Resolution No. 18-16
9. Finance Policies Workshop- second set
10. SDIS Insurance Renewal
11. Solids Building Refurbishment- Engineering Task Order
12. Department Reports

- Finance
- Field Operations
- Plant Operations
- Technical Services

13. Call for Public Comment

14. Business from the Board

15. Recess to Executive Session under ORS 192.660 2(f) to consider information or records that are exempt by law from public inspection and 2(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

16. Adjourn Executive Session – Board may take action if necessary.

Adjourn



## AGENDA ITEM

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**Agenda Item:** Call for Public Testimony  
**Item No.:** 2  
**Presenters:** N/A

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### **Background:**

Members of the public are invited to identify agenda items on which they would like to comment or provide testimony. The Board may elect to limit the total time available for public comment or for any single speaker depending on meeting length.



## **STAFF REPORT**

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**To:** Board of Directors  
**From:** Sarah Jo Chaplen, General Manager  
**Agenda Item:** Interviews for Budget Committee Members  
**Item No.:** 3  
**Date:** December 18, 2018

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### **Background:**

This time will be used to interview Budget Committee applicants. Applicant questions will be placed in the Board's Blue Folders at their desks prior to the Board Meeting.

**OAK LODGE**  
WATER SERVICES  
**CONSENT AGENDA**

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**To:** Board of Directors  
**From:** Sarah Jo Chaplen, General Manager  
**Agenda Item:** Consent Agenda  
**Item No.:** 4  
**Date:** December 18, 2018

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**Background:**

The Board of Directors has a standing item on the regular monthly meeting agenda called "Consent Agenda." This subset of the regular agenda provides for the Board to relegate routine business functions not requiring discussion to a consent agenda where all included items can be acted upon by a single act.

The Consent Agenda includes:

1. November 2018 Financial Reports
  - a. Approval of November 2018 Check Run
2. October 10, 2018 Special Board Meeting Minutes
3. October 25, 2018 Special Board Meeting Minutes
4. November 15, 2018 Board Meeting Minutes
5. November 20, 2018 Special Board Meeting Minutes

Board members may request to remove an item from the Consent Agenda to discuss separately.

**Options for Consideration:**

1. Approve the consent agenda as listed on the meeting agenda.
2. Request one or more items listed on the consent agenda be pulled from the consent agenda for discussion.

**Recommendation:**

Approve the items listed under the Consent Agenda.

**Sample motion:** *"I move to approve the consent agenda."*

Approved \_\_\_\_\_

Date \_\_\_\_\_



## MONTHLY FINANCIAL REPORT

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**To:** Board Directors  
**From:** Kelly Stacey, Finance Director  
**Agenda Item:** November 2018 Financial Reports  
**Item No.:** 4a  
**Date:** December 18, 2018

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### Reports:

- November 2018 Monthly Overview
- November 2018 Budget Report
- November 2018 Monthly Cash and Investment Balances
- November 2018 Monthly Checks and Electronic Withdrawals Staff Report
- November 2018 Monthly Checks and Electronic Withdrawals System Report

**Oak Lodge Water Services  
Monthly Overview  
November 2018**

This report summarizes the revenues and expenditures for November 2018. Also incorporated in this report are account balances, including all cash and investment activity as well as checks and withdrawals.

The District’s liquid cash and investment assets equal \$12,070,341.09 as of November 30, 2018; consisting of \$1,139,065.28 in checking, and \$10,931,275.81 in the State Local Government Investment Pool (LGIP).

The District’s checks, electronic withdrawals and bank drafts for November 2018, total \$1,526,542.84.

Below is a table identifying the District’s three principal sources of service charges in each fund with a comparison between annual budget estimates and year-to-date service charge fees.

<u>GL Account</u>	<u>Service Charge</u>	<u>Budget Estimate</u>	<u>Period Amount</u>	<u>Year-to-Date Amount</u>	<u>Percentage of Budget</u>
10-00-4211	Water sales	\$ 3,640,000	\$ 398,830	\$ 1,889,508	51.91%
20-00-4212	Wastewater charges	7,947,500	787,601	3,075,459	38.70%
30-00-4213	Watershed protection	<u>1,456,000</u>	<u>169,609</u>	<u>608,406</u>	<u>41.79%</u>
	Subtotal	\$13,043,500	\$ 1,356,040	\$ 5,573,373	42.73%

The % of budget is calculated by taking the ending balance and dividing it by the budget. At the end of November the % of budget spent or billed should be around 41.67%. Note for budget law purposes, Wastewater Plant and Wastewater Collection are added together. Certain line items are spent all at once, such as Worker’s Compensation, which we pay one time a year in July.

**Low Income Rate Relief Program Overview**

The District allows eligible customers to obtain a discounted rate on a portion of their bill. The District budgets resources to fund the revenue losses due to the program at the rate of 0.50% of budgeted service charge revenue. The budgeted amount serves as a cap to the program’s cost which can only be exceed with approval from the District’s Board of Directors. Below is a table identifying the estimated current status of the program.

<u>Number of Accounts</u>	<u>Discount</u>	<u>Budget</u>	<u>Per Billing Cycle Benefit</u>	<u>Year-to-Date Amount</u>	<u>Percentage of Budget</u>
161	Low Income Rate Relief	\$ 65,218	\$ 12,442	\$ 31,105	47.69%

## Oak Lodge Water Services District

<b>Account Balances As of:</b>			
November 30, 2018		<b>Interest Rate</b>	
<b>Account</b>			
Wells Fargo Bank Checking-3552	0.00%	\$	1,139,065.28
LGIP 5289 Water General	2.50%	\$	2,536,654.96
LGIP 5790 Watershed Protection	2.50%	\$	1,858,477.58
LGIP 3968 Sanitary GO Bond Debt Svc	2.50%	\$	743,261.90
LGIP 3869 Sanitary Debt Svc	2.50%	\$	1,180,576.96
LGIP 5002 Sanitary General	2.50%	\$	4,612,304.41
Total		\$	12,070,341.09

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General Ledger  
Budget to Actual



User: jeff  
Printed: 12/10/2018 3:01:49 PM  
Period 05 - 05  
Fiscal Year 2019

Account Number	Description	Budget	Period Amt	End Bal	% of Budget
<b>10</b>	<b>Drinking Water</b>				
	<b>NonDivisional</b>				
	<i>Beginning Fund Balance</i>				
10-00-3500	Fund balance	-2,880,270.00	0.00	-3,238,019.00	112.42
	<i>Beginning Fund Balance</i>	-2,880,270.00	0.00	-3,238,019.00	112.42
	<i>Revenue</i>				
10-00-4211	Water sales	-3,640,000.00	-398,830.24	-1,889,508.19	51.91
10-00-4212	Water sales - CRW	-32,000.00	-6,112.80	-18,166.09	56.77
10-00-4215	Penalties and late charges	-25,000.00	-308.98	-6,252.81	25.01
10-00-4220	System development charges	-75,000.00	-40,600.00	-142,010.00	189.35
10-00-4230	Contract services	-32,000.00	0.00	-10,194.31	31.86
10-00-4240	Service installations	-15,000.00	-2,685.00	-10,600.00	70.67
10-00-4280	Rents & leases	-140,000.00	-55,007.76	-86,840.44	62.03
10-00-4290	Other charges for services	0.00	-100.39	-20,386.73	0.00
10-00-4610	Investment revenue	-25,000.00	0.00	0.00	0.00
10-00-4630	Miscellaneous revenues	-15,000.00	-2,200.51	-9,617.44	64.12
	<i>Revenue</i>	3,999,000.00	505,845.68	2,193,576.01	54.85
	<b>NonDivisional</b>	<b>-6,879,270.00</b>	<b>-505,845.68</b>	<b>-5,431,595.01</b>	<b>78.96</b>
	<b>Drinking Water</b>				
	<i>Personnel Services</i>				
10-20-5110	Regular employees	980,000.00	73,243.82	368,204.84	37.57
10-20-5120	Temporary/Seasonal employees	30,000.00	1,226.47	3,419.17	11.40
10-20-5130	Overtime	48,000.00	3,851.85	6,489.79	13.52
10-20-5210	Employee Ins Expense	225,000.00	13,684.84	66,807.53	29.69
10-20-5230	Social Security	80,500.00	5,591.03	27,843.52	34.59
10-20-5240	Retirement	202,000.00	13,022.83	64,080.36	31.72
10-20-5250	Trimet/WBF	9,000.00	585.65	2,868.88	31.88
10-20-5260	Unemployment	12,000.00	0.00	0.00	0.00
10-20-5270	Workers compensation	13,000.00	0.00	13,780.90	106.01
10-20-5290	Other employee benefits	7,300.00	0.00	41.76	0.57
	<i>Personnel Services</i>	1,606,800.00	111,206.49	553,536.75	34.45
	<i>Materials &amp; Services</i>				
10-20-6110	Legal services	130,000.00	10,040.01	21,350.99	16.42
10-20-6120	Accounting & audit services	9,000.00	0.00	0.00	0.00
10-20-6155	Contracted Services	160,500.00	10,185.43	37,446.27	23.33
10-20-6180	Dues & subscriptions	25,000.00	796.15	20,496.98	81.99
10-20-6220	Electricity	45,000.00	1,813.88	14,973.98	33.28
10-20-6230	Telephone	21,000.00	1,086.13	5,847.25	27.84
10-20-6240	Natural gas	4,000.00	270.29	958.68	23.97
10-20-6290	Other utilities	4,000.00	175.49	1,273.95	31.85
10-20-6310	Janitorial services	8,500.00	620.06	4,985.26	58.65
10-20-6320	Buildings & grounds	10,000.00	52.23	1,143.26	11.43
10-20-6330	Vehicle & equipment maint.	27,000.00	1,369.84	12,138.44	44.96
10-20-6340	Distribution system maint	200,000.00	19,896.96	73,300.04	36.65
10-20-6350	Computer maintenance	48,500.00	1,168.69	36,490.12	75.24
10-20-6390	Other repairs &	50,000.00	0.00	9,470.74	18.94

Account Number	Description	Budget	Period Amt	End Bal	% of Budget
	maintenance				
10-20-6410	Mileage	1,500.00	0.00	263.33	17.56
10-20-6420	Staff training	17,500.00	0.00	6,901.90	39.44
10-20-6430	Certifications	1,000.00	280.00	540.00	54.00
10-20-6440	Board travel & training	2,500.00	0.00	136.68	5.47
10-20-6510	Office supplies	15,000.00	498.79	6,212.51	41.42
10-20-6520	Fuel & oils	25,000.00	2,082.38	7,178.68	28.71
10-20-6530	Small tools & equipment	15,000.00	0.00	226.02	1.51
10-20-6540	Safety supplies	12,000.00	925.38	5,165.71	43.05
10-20-6550	Operational Supplies	1,500.00	0.00	274.00	18.27
10-20-6560	Uniforms	4,000.00	0.00	0.00	0.00
10-20-6590	Other supplies	0.00	0.00	73.87	0.00
10-20-6610	Board compensation	700.00	0.00	72.08	10.30
10-20-6710	Purchased water	1,050,000.00	0.00	349,816.99	33.32
10-20-6720	Insurance	30,000.00	0.00	50.00	0.17
10-20-6730	Communications	9,000.00	20.58	197.58	2.20
10-20-6740	Advertising	1,000.00	0.00	0.00	0.00
10-20-6760	Equipment Rental	5,000.00	0.00	95.41	1.91
10-20-6770	Bank charges	30,000.00	1,902.48	13,826.73	46.09
10-20-6780	Taxes & fees	20,000.00	444.89	6,512.24	32.56
10-20-6900	Miscellaneous expense	1,000.00	50.00	100.00	10.00
	<i>Materials &amp; Services</i>	<i>1,984,200.00</i>	<i>53,679.66</i>	<i>637,519.69</i>	<i>32.13</i>
	<b>Drinking Water</b>	<b>3,591,000.00</b>	<b>164,886.15</b>	<b>1,191,056.44</b>	<b>33.17</b>
<b>10</b>	<b>Drinking Water</b>	<b>-3,288,270.00</b>	<b>-340,959.53</b>	<b>-4,240,538.57</b>	<b>128.96</b>
<b>20</b>	<b>Wastewater Reclam. NonDivisional</b>				
	<i>Beginning Fund Balance</i>				
20-00-3500	Fund balance	-5,416,603.00	0.00	-5,393,413.85	99.57
	<i>Beginning Fund Balance</i>	<i>-5,416,603.00</i>	<i>0.00</i>	<i>-5,393,413.85</i>	<i>99.57</i>
	<i>Revenue</i>				
20-00-4212	Wastewater charges	-7,947,500.00	-787,601.09	-3,075,459.23	38.70
20-00-4215	Penalties & late charges	-25,000.00	-215.82	-2,309.74	9.24
20-00-4220	System development charges	-100,000.00	-25,825.00	-165,280.00	165.28
20-00-4240	Service installations	-25,000.00	-337.45	-27,963.97	111.86
20-00-4290	Other charges for services	-5,000.00	-7.82	-9,540.51	190.81
20-00-4610	Investment revenue	-50,000.00	0.00	0.00	0.00
20-00-4630	Miscellaneous revenues	-15,000.00	-789.21	-7,427.62	49.52
	<i>Revenue</i>	<i>8,167,500.00</i>	<i>814,776.39</i>	<i>3,287,981.07</i>	<i>40.26</i>
	<b>NonDivisional</b>	<b>-13,584,103.00</b>	<b>-814,776.39</b>	<b>-8,681,394.92</b>	<b>63.91</b>
	<b>Wastewater-Plant</b>				
	<i>Personnel Services</i>				
20-21-5110	Regular employees	1,020,000.00	77,697.70	369,620.98	36.24
20-21-5120	Temporary/Seasonal employees	30,000.00	1,329.65	20,347.78	67.83
20-21-5130	Overtime	50,000.00	6,786.67	14,233.94	28.47
20-21-5210	Employee Ins-MDVSTDLTDLf	200,000.00	15,668.33	65,279.33	32.64
20-21-5230	Social Security	80,000.00	6,116.32	29,932.96	37.42
20-21-5240	Retirement	190,000.00	10,723.48	54,227.11	28.54
20-21-5250	TrimetWBF	8,200.00	653.56	3,105.04	37.87
20-21-5260	Unemployment	10,500.00	0.00	0.00	0.00
20-21-5270	Workers compensation	12,000.00	0.00	12,496.59	104.14
20-21-5290	Other employee benefits	6,800.00	0.00	39.34	0.58
	<i>Personnel Services</i>	<i>1,607,500.00</i>	<i>118,975.71</i>	<i>569,283.07</i>	<i>35.41</i>
	<i>Materials &amp; Services</i>				
20-21-6110	Legal services	125,000.00	3,692.04	19,910.96	15.93
20-21-6120	Accounting & audit services	4,500.00	0.00	0.00	0.00
20-21-6155	Contracted Services	105,300.00	14,543.19	52,449.08	49.81

Account Number	Description	Budget	Period Amt	End Bal	% of Budget
20-21-6180	Dues & subscriptions	15,000.00	1,042.51	4,743.09	31.62
20-21-6220	Electricity	250,000.00	0.00	168.25	0.07
20-21-6230	Telephone	24,000.00	1,102.17	6,926.47	28.86
20-21-6240	Natural gas	4,500.00	18.83	113.80	2.53
20-21-6250	Solid waste disposal	75,000.00	4,908.85	20,679.20	27.57
20-21-6290	Other utilities	3,000.00	93.43	3,410.32	113.68
20-21-6310	Janitorial services	22,000.00	672.24	8,955.84	40.71
20-21-6320	Buildings & grounds maint.	25,000.00	3,391.54	6,303.28	25.21
20-21-6330	Vehicle & equipment maint.	24,000.00	0.00	1,510.49	6.29
20-21-6342	WRF System maintenance	234,000.00	11,631.10	67,133.15	28.69
20-21-6350	Computer maintenance	109,250.00	1,462.78	28,951.76	26.50
20-21-6390	Other repairs & maintenance	0.00	0.00	937.74	0.00
20-21-6410	Mileage	2,000.00	0.00	255.28	12.76
20-21-6420	Staff training	23,000.00	0.00	4,579.97	19.91
20-21-6430	Certifications	5,000.00	0.00	0.00	0.00
20-21-6440	Board travel & training	3,000.00	0.00	70.41	2.35
20-21-6510	Office supplies	15,000.00	540.75	5,965.27	39.77
20-21-6520	Fuel & oils	35,000.00	107.70	7,837.35	22.39
20-21-6525	Chemicals	25,000.00	0.00	0.00	0.00
20-21-6530	Small tools & equipment	20,200.00	0.00	9.95	0.05
20-21-6540	Safety supplies	20,100.00	0.00	5,139.54	25.57
20-21-6550	Operational Supplies	20,000.00	1,340.68	8,863.20	44.32
20-21-6560	Uniforms	14,000.00	922.00	6,092.65	43.52
20-21-6590	Other supplies	20,000.00	506.14	1,855.72	9.28
20-21-6610	Board compensation	1,000.00	0.00	59.36	5.94
20-21-6720	Insurance	90,000.00	0.00	0.00	0.00
20-21-6730	Communications	4,000.00	22.31	253.85	6.35
20-21-6750	Other purchased services	0.00	1,233.69	4,972.40	0.00
20-21-6760	Equipment Rental	0.00	0.00	27.98	0.00
20-21-6770	Bank charges	25,000.00	2,770.22	15,945.59	63.78
20-21-6780	Taxes & fees	68,500.00	4,262.75	26,857.46	39.21
20-21-6900	Miscellaneous expense	0.00	7,525.00	7,550.00	0.00
	<i>Materials &amp; Services</i>	<i>1,411,350.00</i>	<i>61,789.92</i>	<i>318,529.41</i>	<i>22.57</i>
	<b>Wastewater-Plant</b>	<b>3,018,850.00</b>	<b>180,765.63</b>	<b>887,812.48</b>	<b>29.41</b>
	<b>Wastewater-Collections</b>				
	<i>Personnel Services</i>				
20-22-5110	Regular employees	665,000.00	55,476.44	296,546.63	44.59
20-22-5120	Temporary/Seasonal employees	22,000.00	541.83	1,510.52	6.87
20-22-5130	Overtime	40,000.00	3,428.23	4,174.50	10.44
20-22-5210	Employee Ins-MDVSTDLTDLf	130,000.00	8,951.50	55,316.72	42.55
20-22-5230	Social Security	56,000.00	4,194.15	22,409.07	40.02
20-22-5240	Retirement	140,000.00	7,938.09	41,503.57	29.65
20-22-5250	Trimet/WBF	6,000.00	456.68	2,333.47	38.89
20-22-5260	Unemployment	9,000.00	0.00	0.00	0.00
20-22-5270	Workers compensation	10,000.00	0.00	10,770.93	107.71
20-22-5290	Other employee benefits	4,800.00	0.00	18.15	0.38
	<i>Personnel Services</i>	<i>1,082,800.00</i>	<i>80,986.92</i>	<i>434,583.56</i>	<i>40.14</i>
	<i>Materials &amp; Services</i>				
20-22-6110	Legal services	75,000.00	1,841.43	8,722.40	11.63
20-22-6120	Accounting & audit services	4,500.00	0.00	0.00	0.00
20-22-6155	Contracted Services	65,500.00	5,843.95	17,342.33	26.48
20-22-6180	Dues & subscriptions	5,000.00	555.39	2,433.12	48.66
20-22-6220	Electricity	10,000.00	5,258.90	12,085.29	120.85
20-22-6230	Telephone	21,000.00	705.19	4,815.17	22.93
20-22-6240	Natural gas	3,500.00	18.83	127.92	3.65
20-22-6290	Other utilities	8,500.00	53.28	8,468.30	99.63
20-22-6310	Janitorial services	6,500.00	273.93	2,663.39	40.98

Account Number	Description	Budget	Period Amt	End Bal	% of Budget
20-22-6320	Buildings & grounds	3,000.00	23.07	1,653.17	55.11
20-22-6330	Vehicle & equipment maint.	6,000.00	269.81	2,283.51	38.06
20-22-6342	Collection system maint.	40,000.00	3,833.18	32,506.28	81.27
20-22-6350	Computer maintenance	35,250.00	1,214.44	25,514.77	72.38
20-22-6390	Other repairs & maintenance	10,000.00	2,449.41	2,461.06	24.61
20-22-6410	Mileage	1,500.00	0.00	344.71	22.98
20-22-6420	Staff training	11,000.00	0.00	2,621.21	23.83
20-22-6430	Certifications	900.00	43.50	650.00	72.22
20-22-6440	Board travel & training	1,500.00	0.00	70.41	4.69
20-22-6510	Office supplies	12,000.00	220.36	2,760.76	23.01
20-22-6520	Fuel & oils	7,500.00	1,073.85	3,251.05	43.35
20-22-6530	Small tools & equipment	10,000.00	0.00	3,303.70	33.04
20-22-6540	Safety supplies	3,000.00	472.31	2,728.36	90.95
20-22-6550	Operational Supplies	6,000.00	0.00	139.09	2.32
20-22-6560	Uniforms	8,000.00	248.87	2,254.09	28.18
20-22-6590	Other supplies	0.00	0.00	188.50	0.00
20-22-6610	Board compensation	500.00	0.00	34.26	6.85
20-22-6720	Insurance	24,000.00	0.00	50.00	0.21
20-22-6730	Communications	25,000.00	9.10	277.36	1.11
20-22-6750	Other purchased services	0.00	285.44	1,150.47	0.00
20-22-6770	Bank charges	15,000.00	1,383.05	12,291.04	81.94
20-22-6780	Taxes & fees	5,000.00	897.96	1,802.43	36.05
20-22-6900	Miscellaneous expense	0.00	7,525.00	7,550.00	0.00
	<i>Materials &amp; Services</i>	<i>424,650.00</i>	<i>34,500.25</i>	<i>162,544.15</i>	<i>38.28</i>
	<b>Wastewater-Collections</b>	<b>1,507,450.00</b>	<b>115,487.17</b>	<b>597,127.71</b>	<b>39.61</b>
<b>20</b>	<b>Wastewater Reclam.</b>	<b>-9,057,803.00</b>	<b>-518,523.59</b>	<b>-7,196,454.73</b>	<b>79.45</b>
<b>30</b>	<b>Watershed Protection NonDivisional</b>				
	<i>Beginning Fund Balance</i>				
30-00-3500	Fund balance	-3,114,971.00	0.00	-2,663,328.59	85.50
	<i>Beginning Fund Balance</i>	<i>-3,114,971.00</i>	<i>0.00</i>	<i>-2,663,328.59</i>	<i>85.50</i>
	<i>Revenue</i>				
30-00-4213	Watershed protection fees	-1,456,000.00	-169,608.51	-608,405.82	41.79
30-00-4215	Penalties & late charges	-5,000.00	-56.41	-486.08	9.72
30-00-4240	Service installations	-40,000.00	-3,941.94	-41,424.42	103.56
30-00-4290	Other charges for services	-5,000.00	0.00	0.00	0.00
30-00-4300	Grant Revenue	-250,000.00	0.00	0.00	0.00
30-00-4610	Investment revenue	-35,000.00	0.00	0.00	0.00
30-00-4630	Miscellaneous revenues	-5,000.00	-143.07	-806.57	16.13
	<i>Revenue</i>	<i>1,796,000.00</i>	<i>173,749.93</i>	<i>651,122.89</i>	<i>36.25</i>
	<b>NonDivisional</b>	<b>-4,910,971.00</b>	<b>-173,749.93</b>	<b>-3,314,451.48</b>	<b>67.49</b>
	<b>Watershed Protection Personnel Services</b>				
30-23-5110	Regular employees	424,000.00	29,541.66	135,185.11	31.88
30-23-5120	Temporary/Seasonal employees	10,000.00	825.49	2,301.31	23.01
30-23-5130	Overtime	16,000.00	176.88	249.49	1.56
30-23-5210	Employee Ins-MDVSTDLTDLf	75,000.00	5,395.03	25,253.52	33.67
30-23-5230	Social Security	36,500.00	2,140.52	10,074.99	27.60
30-23-5240	Retirement	90,000.00	4,501.20	21,438.14	23.82
30-23-5250	TrimetWBF	3,900.00	227.58	1,042.89	26.74
30-23-5260	Unemployment	5,000.00	0.00	0.00	0.00
30-23-5270	Workers compensation	5,100.00	0.00	6,029.15	118.22
30-23-5290	Other employee benefits	3,000.00	0.00	28.75	0.96
	<i>Personnel Services</i>	<i>668,500.00</i>	<i>42,808.36</i>	<i>201,603.35</i>	<i>30.16</i>
	<i>Materials &amp; Services</i>				
30-23-6110	Legal services	70,000.00	1,985.49	8,159.91	11.66

Account Number	Description	Budget	Period Amt	End Bal	% of Budget
30-23-6120	Accounting & audit services	9,000.00	0.00	0.00	0.00
30-23-6155	Contracted Services	47,500.00	6,691.63	21,894.55	46.09
30-23-6180	Dues & subscriptions	10,000.00	885.29	3,010.39	30.10
30-23-6220	Electricity	2,000.00	0.00	130.99	6.55
30-23-6230	Telephone	10,000.00	295.57	2,058.25	20.58
30-23-6240	Natural gas	1,500.00	34.75	112.80	7.52
30-23-6290	Other utilities	5,000.00	18.04	621.84	12.44
30-23-6310	Janitorial services	4,500.00	417.35	3,353.30	74.52
30-23-6320	Buildings & grounds	8,000.00	352.56	717.64	8.97
30-23-6330	Vehicle & equipment maint.	4,500.00	0.00	2,813.91	62.53
30-23-6340	System maintenance	10,000.00	0.00	0.00	0.00
30-23-6350	Computer maintenance	49,500.00	577.07	24,779.77	50.06
30-23-6390	Other repairs & maintenance	5,000.00	0.00	72.98	1.46
30-23-6410	Mileage	2,000.00	36.94	572.83	28.64
30-23-6420	Staff training	9,000.00	0.00	3,255.75	36.18
30-23-6430	Certifications	500.00	405.00	405.00	81.00
30-23-6440	Board travel & training	1,500.00	0.00	136.68	9.11
30-23-6510	Office supplies	10,000.00	335.72	4,018.16	40.18
30-23-6520	Fuel & oils	2,500.00	323.90	1,478.19	59.13
30-23-6530	Small tools & equipment	5,000.00	0.00	0.00	0.00
30-23-6540	Safety supplies	2,500.00	95.99	959.09	38.36
30-23-6550	Operational Supplies	4,000.00	160.00	160.00	4.00
30-23-6560	Uniforms	1,500.00	47.36	429.04	28.60
30-23-6610	Board compensation	1,000.00	0.00	59.30	5.93
30-23-6720	Insurance	12,000.00	0.00	0.00	0.00
30-23-6730	Communications	85,000.00	3,964.22	5,650.31	6.65
30-23-6750	Other purchased services	11,000.00	0.00	13.27	0.12
30-23-6770	Bank charges	10,000.00	760.72	6,288.68	62.89
30-23-6780	Taxes & fees	2,000.00	0.00	39.16	1.96
30-23-6900	Miscellaneous expense	100.00	50.00	100.00	100.00
	<i>Materials &amp; Services</i>	<i>396,100.00</i>	<i>17,437.60</i>	<i>91,291.79</i>	<i>23.05</i>
	<b>Watershed Protection</b>	<b>1,064,600.00</b>	<b>60,245.96</b>	<b>292,895.14</b>	<b>27.51</b>
<b>30</b>	<b>Watershed Protection</b>	<b>-3,846,371.00</b>	<b>-113,503.97</b>	<b>-3,021,556.34</b>	<b>78.56</b>
<b>40</b>	<b>WW GO Debt Service NonDivisional</b>				
	<i>Beginning Fund Balance</i>				
40-00-3500	Fund balance	-782,263.00	0.00	-783,052.64	100.10
	<i>Beginning Fund Balance</i>	<i>-782,263.00</i>	<i>0.00</i>	<i>-783,052.64</i>	<i>100.10</i>
	<i>Revenue</i>				
40-00-4610	Investment revenue	-11,885.00	-2,720.61	-10,654.95	89.65
40-00-4701	Interest Subsidy	-121,338.00	0.00	0.00	0.00
	<i>Revenue</i>	<i>133,223.00</i>	<i>2,720.61</i>	<i>10,654.95</i>	<i>8.00</i>
	<b>NonDivisional</b>	<b>-915,486.00</b>	<b>-2,720.61</b>	<b>-793,707.59</b>	<b>86.70</b>
	<b>Debt Service</b>				
	<i>Materials &amp; Services</i>				
40-24-6811	2010 IFA Loan Principal	360,936.00	0.00	0.00	0.00
40-24-6812	2010 GO Bond Principal	1,080,000.00	0.00	0.00	0.00
40-24-6821	2010 GO Bond Interest	88,000.00	0.00	44,000.00	50.00
40-24-6822	2010 IFA Loan Interest	290,561.00	0.00	0.00	0.00
	<i>Materials &amp; Services</i>	<i>1,819,497.00</i>	<i>0.00</i>	<i>44,000.00</i>	<i>2.42</i>
	<b>Debt Service</b>	<b>1,819,497.00</b>	<b>0.00</b>	<b>44,000.00</b>	<b>2.42</b>
<b>40</b>	<b>WW GO Debt Service</b>	<b>904,011.00</b>	<b>-2,720.61</b>	<b>-749,707.59</b>	<b>-82.93</b>
<b>50</b>	<b>WW Revenue Bond Debt Service</b>				

Account Number	Description	Budget	Period Amt	End Bal	% of Budget
	<b>NonDivisional</b>				
	<i>Beginning Fund Balance</i>				
50-00-3500	Fund balance	-1,214,204.00	0.00	-1,215,130.52	100.08
	<i>Beginning Fund Balance</i>	<i>-1,214,204.00</i>	<i>0.00</i>	<i>-1,215,130.52</i>	<i>100.08</i>
	<i>Revenue</i>				
50-00-4610	Investment revenue	-11,074.00	-2,423.78	-10,518.59	94.98
	<i>Revenue</i>	<i>11,074.00</i>	<i>2,423.78</i>	<i>10,518.59</i>	<i>94.98</i>
	<b>NonDivisional</b>	<b>-1,225,278.00</b>	<b>-2,423.78</b>	<b>-1,225,649.11</b>	<b>100.03</b>
	<b>Debt Service</b>				
	<i>Materials &amp; Services</i>				
50-24-6810	2010 SRF Loan Principal	876,670.00	0.00	436,273.00	49.76
50-24-6813	JPM Bank Loan Principal	0.00	0.00	0.00	0.00
50-24-6820	2010 SRF Loan Interest	370,772.00	0.00	150,725.00	40.65
50-24-6823	JPM Bank Loan Interest	379,326.00	189,662.50	189,662.50	50.00
	<i>Materials &amp; Services</i>	<i>1,626,768.00</i>	<i>189,662.50</i>	<i>776,660.50</i>	<i>47.74</i>
	<b>Debt Service</b>	<b>1,626,768.00</b>	<b>189,662.50</b>	<b>776,660.50</b>	<b>47.74</b>
<b>50</b>	<b>WW Revenue Bond</b>	<b>401,490.00</b>	<b>187,238.72</b>	<b>-448,988.61</b>	<b>-111.83</b>
	<b>Debt Service</b>				
<b>71</b>	<b>Drinking Water Capital</b>				
	<b>NonDivisional</b>				
	<i>Revenue</i>				
71-00-4610	Investment revenue	-5,000.00	-5,202.96	-25,208.38	504.17
71-00-4650	Proceeds from borrowing	-1,300,000.00	0.00	0.00	0.00
	<i>Revenue</i>	<i>1,305,000.00</i>	<i>5,202.96</i>	<i>25,208.38</i>	<i>1.93</i>
	<b>NonDivisional</b>	<b>-1,305,000.00</b>	<b>-5,202.96</b>	<b>-25,208.38</b>	<b>1.93</b>
	<b>Drinking Water</b>				
	<i>Capital Outlay</i>				
71-20-7200	Infrastructure	1,350,000.00	33,255.99	41,562.02	3.08
71-20-7300	Buildings & improvements	12,000.00	0.00	0.00	0.00
71-20-7400	Improvement other than Bldgs	10,000.00	0.00	0.00	0.00
71-20-7520	Equipment	0.00	0.00	15,955.00	0.00
71-20-7530	Software	0.00	115.80	3,702.90	0.00
71-20-7540	Vehicles	32,000.00	6,433.04	34,113.02	106.60
71-20-7600	Capital Improvement Projects	300,000.00	15,110.44	71,225.38	23.74
	<i>Capital Outlay</i>	<i>1,704,000.00</i>	<i>54,915.27</i>	<i>166,558.32</i>	<i>9.77</i>
	<b>Drinking Water</b>	<b>1,704,000.00</b>	<b>54,915.27</b>	<b>166,558.32</b>	<b>9.77</b>
<b>71</b>	<b>Drinking Water Capital</b>	<b>399,000.00</b>	<b>49,712.31</b>	<b>141,349.94</b>	<b>35.43</b>
<b>72</b>	<b>Wastewater Reclamation Capital</b>				
	<b>NonDivisional</b>				
	<i>Revenue</i>				
72-00-4610	Investment revenue	-7,500.00	-9,458.65	-44,569.73	594.26
72-00-4640	Proceeds from sale of capital	-1,500,000.00	0.00	0.00	0.00
	<i>Revenue</i>	<i>1,507,500.00</i>	<i>9,458.65</i>	<i>44,569.73</i>	<i>2.96</i>
	<b>NonDivisional</b>	<b>-1,507,500.00</b>	<b>-9,458.65</b>	<b>-44,569.73</b>	<b>2.96</b>
	<b>Wastewater-Plant</b>				
	<i>Capital Outlay</i>				
72-21-7300	Buildings & improvements	1,500,000.00	0.00	0.00	0.00

<b>Account Number</b>	<b>Description</b>	<b>Budget</b>	<b>Period Amt</b>	<b>End Bal</b>	<b>% of Budget</b>
72-21-7400	Improvement other than Bldgs	5,000.00	0.00	0.00	0.00
72-21-7520	Equipment	0.00	2,067.38	2,067.38	0.00
72-21-7530	Software	0.00	59.66	2,249.51	0.00
72-21-7540	Vehicles	31,000.00	0.00	5,370.00	17.32
72-21-7600	Capital Improvement Projects	1,220,000.00	387.04	11,682.04	0.96
	<i>Capital Outlay</i>	<i>2,756,000.00</i>	<i>2,514.08</i>	<i>21,368.93</i>	<i>0.78</i>
	<b>Wastewater-Plant</b>	<b>2,756,000.00</b>	<b>2,514.08</b>	<b>21,368.93</b>	<b>0.78</b>
	<b>Wastewater-Collections</b>				
	<i>Capital Outlay</i>				
72-22-7400	Improvements other than Bldgs	5,000.00	0.00	0.00	0.00
72-22-7520	Equipment	60,000.00	0.00	54,984.00	91.64
72-22-7530	Software	0.00	59.66	1,533.45	0.00
72-22-7540	Vehicles	0.00	0.00	27,679.98	0.00
72-22-7600	Capital Improvement Projects	500,000.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>565,000.00</i>	<i>59.66</i>	<i>84,197.43</i>	<i>14.90</i>
	<b>Wastewater-Collections</b>	<b>565,000.00</b>	<b>59.66</b>	<b>84,197.43</b>	<b>14.90</b>
<b>72</b>	<b>Wastewater Reclamation Capital</b>	<b>1,813,500.00</b>	<b>-6,884.91</b>	<b>60,996.63</b>	<b>3.36</b>
<b>73</b>	<b>Watershed Protection Capital NonDivisional</b>				
	<i>Revenue</i>				
73-00-4610	Investment revenue	-5,000.00	-3,850.49	-24,223.22	484.46
73-00-4640	Proceeds from sale of capital	-300,000.00	0.00	0.00	0.00
	<i>Revenue</i>	<i>305,000.00</i>	<i>3,850.49</i>	<i>24,223.22</i>	<i>7.94</i>
	<b>NonDivisional</b>	<b>-305,000.00</b>	<b>-3,850.49</b>	<b>-24,223.22</b>	<b>7.94</b>
	<b>Watershed Protection</b>				
	<i>Capital Outlay</i>				
73-23-7400	Improvement other than Bldgs	10,000.00	0.00	0.00	0.00
73-23-7520	Equipment	71,000.00	0.00	0.00	0.00
73-23-7530	Software	0.00	115.81	3,702.91	0.00
73-23-7540	Vehicles	0.00	0.00	4,913.85	0.00
73-23-7600	Capital Improvement Projects	1,920,000.00	7,664.54	1,099,434.09	57.26
	<i>Capital Outlay</i>	<i>2,001,000.00</i>	<i>7,780.35</i>	<i>1,108,050.85</i>	<i>55.37</i>
	<b>Watershed Protection</b>	<b>2,001,000.00</b>	<b>7,780.35</b>	<b>1,108,050.85</b>	<b>55.37</b>
<b>73</b>	<b>Watershed Protection Capital</b>	<b>1,696,000.00</b>	<b>3,929.86</b>	<b>1,083,827.63</b>	<b>63.90</b>



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Wgt'lgth  
Rtkpvgf'234B2423: '5-23-36'RO  
Rgtkqf '27''27  
Hkuecnl gct'423;

Sort Level	Description	Budget	Beg Bal	Period Amt	End Bal%	ExpendCollect
Tgxpwp	Tgxpwp					
6433	Y cvgt'ucrgu	/5.862.222022	/3.6; 2.8990 7	/5; : .: 52046	/3.; : .: 72: 0;	730 3
6434	Y cvgy cvgt'ej cti gu	/9.; 9; .722022	/4.4; : .: 33065	/9; 5.9350 ;	/5.2; 5.847054	5: 09
6435	Y cvgtgf 'rtqvgevkp'hgg	/3.678.222022	/65; .9; 9053	/38; .82: 073	/82; .6270 4	630;
6437	Rgpcnkgu'('rcv'ej cti gu	/77.222022	/: .689064	/7: 3043	/: .26: 05	38067
6442	U{ungo 'f gxpgr o gpv'ej cti gu	/397.222022	/462.; 87022	/88.647022	/529.4; 2022	39707;
6452	Eqpvtcev'ugt xlegu	/54.222022	/32.3; 6053	2022	/32.3; 6053	530 8
6462	Ugt xleg'kpucm'vkpu	/: 2.222022	/95.246022	/8; 8605;	/9; .; : : 05;	; ; 0 ;
64: 2	Tgpw'('rgcugu	/362.222022	/53.; 5408;	/77.22908	/: 8.; 62066	84025
64; 2	Qvj gt'ej cti gu'hqt'ugt xlegu	/32.222022	/4; .: 3; 05;	/32: 043	/4; .; 49046	4; ; 049
6522	I tcpv'Tgxpwp	/472.222022	2022	2022	2022	2022
6832	Kpxguo gpv'tgxpwp	/372.67; 022	/: 3.73: 05;	/45.87806;	/337.3960 9	98077
6852	O kuegm'pgqwu'tgxpwp	/57.222022	/36.93: 0 6	/5.35409;	/39.; 73085	73022
6862	Rtqeggf u'htqo 'ucrg'qh'ecr kcn	/3.; 22.222022	2022	2022	2022	2022
6872	Rtqeggf u'htqo 'dqttqy kpi	/3.522.222022	2022	2022	2022	2022
6923	Kpvtgu'Uwdukf {	/343.55: 022	2022	2022	2022	2022
6; 33	Vtcpu'htgu'lp'htqo 'Hwfp '32	/4.922.222022	/4.829.868059	/33.766042	/4.83; .3; 2079	; 9023
6; 34	Vtcpu'htgu'lp'htqo 'Hwfp '42	/: .525.; 57022	/7.945.46; 088	/544.7: 7089	/8.267.; 5705	940 3
6; 35	Vtcpu'htgu'lp'htqo 'Hwfp '52	/5.822.222022	/4.; : 7.36409;	/98.; 79087	/5.283.; : ; 0 6	: 7028
Tgxpwp	Tgxpwp	53.; 4: .454022	38.267.; 87089	3; ; 4; .237073	39.; 96.; : 208:	78069
Gzr gpug	Gzr gpug					
7332	Tgi wxt'go r mq{gg	5.2; .: .222022	; 55.7; 90 6	457.; 7; 084	3.38; .779078	590 8
7342	Vgo r qtct{Ugcupcr'go r mq{gg	; 4.222022	45.877056	5.; 45066	49.79: 09;	4; 0 :
7352	Qxgtwlo g	376.222022	32.; 2602;	36.465085	47.369094	38055
7432	Go r mq{gg	852.222022	38.; : 79062	65.8; ; 092	434.879082	5508
	Kpu'OFXUVFNVFNh					
7452	Uqekcn'Ugewtkf{	475.222022	94.43: 074	3: .264024	; 2.482076	5708;
7462	Tgwtgo gpv	844.222022	367.28507;	58.3: 7082	3: 3.46; 08;	4; 086
7472	Vtlo gv	49.322022	9.6480 3	3.; 45069	; .57204;	56072
7482	Wpgo r mq{o gpv	58.722022	2022	2022	2022	2022
7492	Y qtngtu'eqo r gpucvkp	62.322022	65.299079	2022	65.299079	329065
74; 2	Qvj gt'go r mq{gg'dgpgkxu	43.; 22022	34: 022	2022	34: 022	207;
8332	Ngicri'ugt xlegu	622.222022	62.7: 704;	39.77: 0 9	7: .366048	36076
8342	Ceeqwp'kpi '( 'cwf k'ugt xlegu	49.222022	2022	2022	2022	2022
8377	Eqpvtcev'f'Ugt xlegu	59.; : 22022	; 3: .8: 025	59.486042	34; .354045	5602;
83: 2	Fvgu'('uwduekr vkpu	77.222022	49.626046	5.49; 056	52.8: 507;	7709;
83; 2	Qvj gt'r tqhgu'kpcr'('vej 'uxeu	2022	2022	2022	2022	2022
8442	Grgewtlek{	529.222022	42.4: 705	9.29409;	49.57: 073	: 0 3
8452	Vgrgr j qpg	98.222022	38.67: 02;	5.3; : 028	3; .869086	470 7
8462	Pcwcrni cu	35.722022	; 92072	56402	3.535042	; 05
8472	Uqrf 'y cvg'f kur qucn	97.222022	37.992057	6.; 2: 0 7	42.89; 042	49079
84; 2	Qvj gt'wkrkkgu	42.722022	35.656089	562046	35.996063	8908;
8532	Lcpkqt'kri'ugt xlegu	63.722022	39.; 96043	3.; : 507;	3; .; 7909;	6: 02;
8542	Dwkrf kpi u'('i tqwpf u	68.222022	7.; : 90 7	5.; 3; 062	; : .39057	43056
8552	Xgj kerg'('gs wkr o gpv'o clpv0	83.722022	39.328092	3.85; 087	3: .968057	5206;
8562	Fkntkdwkqp'u{ungo 'o clpv	432.222022	75.62502;	3; .; : 80 8	95.522026	560 2
8564	Eqngewkqp'u{ungo 'o clpv0	496.222022	: 6.397087	37.68604;	; .85; 065	58058
8572	Eqo r wgt'0 clpv'gpcpeg	464.722022	333.535066	6.6440 :	337.958064	69095
85; 2	Qvj gt'trg'cku'('o clpv'gpcpeg	87.222022	32.6; 5083	4.66; 063	34.; 64074	3; 0 3
8632	O krci g	9.222022	3.5; ; 043	580 6	3.658087	42074
8642	Uchh'tcklpi	82.722022	39.57: 0 5	2022	39.57: 0 5	4: 08;
8652	Egt'k'ecvkpu	9.622022	: 88072	94: 072	3.7; 7022	43077
8662	Dqctf'tcxgnl('tcklpi	: .722022	63608;	2022	63608:	60 9



Sort Level	Description	Budget	Beg Bal	Period Amt	End Bal	% ExpendCollect
6510	Office supplies	52,000.00	17,361.08	1,595.62	18,956.70	36.46
6520	Fuel & oils	70,000.00	16,157.44	3,587.83	19,745.27	28.21
6525	Chemicals	25,000.00	0.00	0.00	0.00	0.00
6530	Small tools & equipment	50,200.00	3,539.67	0.00	3,539.67	7.05
6540	Safety supplies	37,600.00	12,499.02	1,493.68	13,992.70	37.21
6550	Operational Supplies	31,500.00	7,935.61	1,500.68	9,436.29	29.96
6560	Uniforms	27,500.00	7,557.55	1,218.23	8,775.78	31.91
6590	Other supplies	20,000.00	1,611.95	506.14	2,118.09	10.59
6610	Board compensation	3,200.00	225.00	0.00	225.00	7.03
6710	Purchased water	1,050,000.00	349,816.99	0.00	349,816.99	33.32
6720	Insurance	156,000.00	100.00	0.00	100.00	0.06
6730	Communications	123,000.00	2,362.89	4,016.21	6,379.10	5.19
6740	Advertising	1,000.00	0.00	0.00	0.00	0.00
6750	Other purchased services	11,000.00	4,617.01	1,519.13	6,136.14	55.78
6760	Equipment Rental	5,000.00	123.39	0.00	123.39	2.47
6770	Bank charges	80,000.00	41,535.57	6,816.47	48,352.04	60.44
6780	Taxes & fees	95,500.00	29,605.69	5,605.60	35,211.29	36.87
6810	2010 SRF Loan Principal	876,670.00	436,273.00	0.00	436,273.00	49.76
6811	2010 IFA Loan Principal	360,936.00	0.00	0.00	0.00	0.00
6812	2010 GO Bond Principal	1,080,000.00	0.00	0.00	0.00	0.00
6813	JPM Bank Loan Principal	0.00	0.00	0.00	0.00	0.00
6820	2010 SRF Loan Interest	370,772.00	150,725.00	0.00	150,725.00	40.65
6821	2010 GO Bond Interest	88,000.00	44,000.00	0.00	44,000.00	50.00
6822	2010 IFA Loan Interest	290,561.00	0.00	0.00	0.00	0.00
6823	JPM Bank Loan Interest	379,326.00	0.00	189,662.50	189,662.50	50.00
6900	Miscellaneous expense	1,100.00	150.00	15,150.00	15,300.00	1,390.91
6910	Cash overshoot	0.00	20.00	0.00	20.00	0.00
7200	Infrastructure	1,350,000.00	8,306.03	33,255.99	41,562.02	3.08
7300	Buildings & improvements	1,512,000.00	0.00	0.00	0.00	0.00
7400	Improvement other than Bldgs	30,000.00	0.00	0.00	0.00	0.00
7520	Equipment	131,000.00	70,939.00	2,067.38	73,006.38	55.73
7530	Software	0.00	10,837.84	350.93	11,188.77	0.00
7540	Vehicles	63,000.00	65,643.81	6,433.04	72,076.85	114.41
7600	Capital Improvement Projects	3,940,000.00	1,159,179.49	23,162.02	1,182,341.51	30.01
8140	Transfers out - Fund 40	1,548,123.00	516,041.00	129,010.25	645,051.25	41.67
8150	Transfers out - Fund 50	1,755,812.00	585,270.68	146,317.67	731,588.35	41.67
8171	Transfers out - Fund 71	2,700,000.00	2,607,646.37	11,544.20	2,619,190.57	97.01
8172	Transfers out - Fund 72	5,000,000.00	4,621,937.98	47,257.75	4,669,195.73	93.38
8173	Transfers out - Fund 73	3,600,000.00	2,985,142.79	76,857.15	3,061,999.94	85.06
9000	Contingency	3,087,009.00	0.00	0.00	0.00	0.00
Expense	Expense	37,345,109.00	15,709,469.85	1,187,303.79	16,896,773.64	45.24
<b>Grand Total</b>		<b>-5,516,877.00</b>	<b>336,395.32</b>	<b>741,711.72</b>	<b>1,078,107.04</b>	<b>-0.1954</b>
<b>Fund Balance</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>
<b>Total</b>						
<b>Revenue Total</b>		<b>31,828,232.00</b>	<b>16,045,865.17</b>	<b>1,929,015.51</b>	<b>17,974,880.68</b>	<b>0.5647</b>
<b>Expense Total</b>		<b>37,345,109.00</b>	<b>15,709,469.85</b>	<b>1,187,303.79</b>	<b>16,896,773.64</b>	<b>0.4524</b>



## STAFF REPORT

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**To:** Board of Directors  
**From:** Kelly Stacey, Finance Director  
**Agenda Item:** Checks for November 2018  
**Item No.:** 4av  
**Date:** December 18, 2018

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### **Background**

Auditors have requested formal approval of checks by the Board of Directors

### **Issue**

The District needs formal authorization of November checks numbered 41781 through 41884 which include accounts payable and payroll checks as well as electronic withdrawals totaling \$1,526,542.84. Attached you will find a report showing all checks and electronic withdrawals for November 2018. There were no voided checks for the month.

### **Recommendations**

It is recommended to the Board that checks numbered 41781 through 41884 and electronic withdrawals be formally approved by the Board.

### **Background**

The District pays expenditures throughout the month.

### **Facts and Findings**

The District auditors require the Board to formally approve monthly payments to conform to Generally Accepted Accounting Principles (GAAP).

### **Attachments**

1. Accela Checks by Date November 2018

Bank Reconciliation  
 Checks by Date  
 User: jeff  
 Printed: 12/10/2018 - 2:01PM  
 Cleared and Not Cleared Checks  
 Print Void Checks

<u>Check No.</u>	<u>Check Date</u>	<u>Name</u>	<u>Comment</u>	<u>Module</u>	<u>Void</u>	<u>Clear Date</u>	<u>Amount</u>
Paper Check Disbursement Activity							
41781	11/6/2018	Brad W. Lyon		AP		11/30/2018	315.00
41782	11/15/2018	Employee Paycheck		PR		Uncleared	1,553.88
41783	11/15/2018	Employee Paycheck		PR		11/30/2018	525.35
41784	11/15/2018	Employee Paycheck		PR		11/30/2018	2,116.74
41785	11/15/2018	7-Eleven 18786		AP		11/30/2018	3,533.18
41786	11/15/2018	Accela		AP		11/30/2018	350.93
41787	11/15/2018	Ace Hardware #11075		AP		11/30/2018	244.23
41788	11/15/2018	Apex Labs		AP		11/30/2018	2,640.00
41789	11/15/2018	Bachman Paving Company		AP		11/30/2018	11,868.00
41790	11/15/2018	Barney & Worth Inc		AP		11/30/2018	3,950.37
41791	11/15/2018	Bay Valve Service LLC		AP		11/30/2018	6,872.00
41792	11/15/2018	BMS Technologies		AP		11/30/2018	3,579.30
41793	11/15/2018	Cable Huston LLP		AP		11/30/2018	7,152.97
41794	11/15/2018	CB Pacific Inc		AP		11/30/2018	902.40
41795	11/15/2018	Cintas Corporation - 463		AP		11/30/2018	297.28
41796	11/15/2018	City Of Gladstone		AP		11/30/2018	5,222.60
41797	11/15/2018	City Of Milwaukie		AP		11/30/2018	1,374.68
41798	11/15/2018	Justin Claxton		AP		11/30/2018	139.98
41799	11/15/2018	Consolidated Supply Co.		AP		11/30/2018	33,255.99
41800	11/15/2018	Contractor Supply		AP		11/30/2018	59.70
41801	11/15/2018	Craig Blackman Trucking		AP		11/30/2018	4,068.42
41802	11/15/2018	CTX-Xerox		AP		11/30/2018	417.89
41803	11/15/2018	D&H Flagging Inc.		AP		11/30/2018	3,116.75
41804	11/15/2018	Express Services, Inc.		AP		11/30/2018	2,708.44
41805	11/15/2018	Geosynthetic Products		AP		11/30/2018	160.00
41806	11/15/2018	Grainger, Inc.		AP		11/30/2018	805.68
41807	11/15/2018	H.D. Fowler Company		AP		11/30/2018	2,638.82
41808	11/15/2018	HDR Engineering, Inc.		AP		11/30/2018	7,664.54
41809	11/15/2018	Patti Hoag		AP		Uncleared	300.00
41810	11/15/2018	BRET HUNLEY		AP		11/30/2018	8.96
41811	11/15/2018	Integrated Power Services		AP		11/30/2018	1,949.00
41812	11/15/2018	J&M BODY SHOP II		AP		11/30/2018	9,662.17
41813	11/15/2018	Lord & Associates, Inc.		AP		11/30/2018	839.13
41814	11/15/2018	Measure-Tech		AP		Uncleared	2,404.82
41815	11/15/2018	NCCWC		AP		11/30/2018	82,490.00
41816	11/15/2018	Net Assets Corporation		AP		11/30/2018	641.00
41817	11/15/2018	Haakon Ogbeide		AP		11/30/2018	36.94
41818	11/15/2018	Olson Bros. Service, Inc.		AP		11/30/2018	2,261.95
41819	11/15/2018	One Call Concepts, Inc.		AP		11/30/2018	491.04
41820	11/15/2018	Oregon DEQ		AP		11/30/2018	383.00
41821	11/15/2018	Oregon Health Authority		AP		11/30/2018	545.00
41822	11/15/2018	Owen Equipment		AP		11/30/2018	269.81
41823	11/15/2018	Pacific Truck Colors, Inc.		AP		11/30/2018	6,385.00
41824	11/15/2018	Portland Engineering Inc		AP		11/30/2018	120.00
41825	11/15/2018	Portland General Electric		AP		Uncleared	3,834.78
41826	11/15/2018	Relay Resources		AP		11/30/2018	4,730.79
41827	11/15/2018	River Road Garage		AP		11/30/2018	1,054.84
41828	11/15/2018	SDIS		AP		11/30/2018	37,815.55
41829	11/15/2018	Derek Shunn		AP		11/30/2018	43.50
41830	11/15/2018	Trillium Development		AP		11/30/2018	499.15
41831	11/15/2018	Unifirst Corporation		AP		11/30/2018	395.54
41832	11/15/2018	US Bank Equipment Finance		AP		11/30/2018	220.00
41833	11/15/2018	Verizon Wireless		AP		11/30/2018	645.79

Bank Reconciliation  
 Checks by Date  
 User: jeff  
 Printed: 12/10/2018 - 2:01PM  
 Cleared and Not Cleared Checks  
 Print Void Checks

Check No.	Check Date	Name	Comment	Module	Void	Clear Date	Amount
41834	11/15/2018	Waste Management Of Oregon		AP		11/30/2018	4,302.45
41835	11/15/2018	Water Environment Services		AP		11/30/2018	144.45
41836	11/15/2018	Water Systems Consulting, Inc.		AP		11/30/2018	15,110.44
41837	11/15/2018	Western Exterminator Company		AP		11/30/2018	269.14
41838	11/21/2018	Hathaway Larson Trust Account FBO Tasso Custom Homes LLC		AP		11/30/2018	15,000.00
41839	11/30/2018	Employee Paycheck		PR		Uncleared	1,942.64
41840	11/30/2018	Employee Paycheck		PR		11/30/2018	544.72
41841	11/30/2018	Employee Paycheck		PR		11/30/2018	2,113.90
41842	11/30/2018	12811 SE OATFIELD ROAD LLC		AP		Uncleared	710.79
41843	11/30/2018	Ace Hardware #11075		AP		Uncleared	277.50
41844	11/30/2018	AFLAC		AP		Uncleared	1,852.58
41845	11/30/2018	AFSCME Council 75		AP		Uncleared	1,722.42
41846	11/30/2018	Alexin Analytical Laboratories		AP		Uncleared	1,720.00
41847	11/30/2018	American Water Works Assoc.		AP		Uncleared	2,109.00
41848	11/30/2018	AnswerNet		AP		Uncleared	225.07
41849	11/30/2018	Applied Industrial Technologies		AP		Uncleared	630.26
41850	11/30/2018	BTL NW		AP		Uncleared	155.68
41851	11/30/2018	Bullard Law		AP		Uncleared	10,406.00
41852	11/30/2018	Cable Huston LLP		AP		Uncleared	12,903.26
41853	11/30/2018	Century Link		AP		Uncleared	809.95
41854	11/30/2018	Jessey Cereghino		AP		Uncleared	960.00
41855	11/30/2018	Cintas Corporation - 463		AP		Uncleared	179.08
41856	11/30/2018	Clackamas County Sheriff		AP		Uncleared	150.00
41857	11/30/2018	Coastal Farm & Home Supply		AP		Uncleared	95.99
41858	11/30/2018	Comcast Cable		AP		Uncleared	424.02
41859	11/30/2018	Contractor Supply		AP		Uncleared	159.34
41860	11/30/2018	Convergence Networks		AP		Uncleared	4,082.98
41861	11/30/2018	CTX-Xerox		AP		Uncleared	146.18
41862	11/30/2018	Dr. Lance F. Harris D.C.		AP		Uncleared	90.00
41863	11/30/2018	Express Services, Inc.		AP		Uncleared	1,215.00
41864	11/30/2018	H.D. Fowler Company		AP		Uncleared	583.74
41865	11/30/2018	J. Thayer Company		AP		Uncleared	431.55
41866	11/30/2018	Kaiser Permanente		AP		Uncleared	4,513.51
41867	11/30/2018	Madison Biosolids, Inc.		AP		Uncleared	946.64
41868	11/30/2018	Metereaders, LLC		AP		Uncleared	1,752.03
41869	11/30/2018	NACWA		AP		Uncleared	750.00
41870	11/30/2018	Ness Campbell Crane and Rigging		AP		Uncleared	940.00
41871	11/30/2018	Northstar Chemical, Inc.		AP		Uncleared	535.00
41872	11/30/2018	Northwest Natural		AP		Uncleared	342.70
41873	11/30/2018	Olson Bros. Service, Inc.		AP		Uncleared	1,325.88
41874	11/30/2018	Oregon Health Authority		AP		Uncleared	340.00
41875	11/30/2018	Oregonian Publishing Company		AP		Uncleared	220.34
41876	11/30/2018	Pacific Truck Colors, Inc.		AP		Uncleared	48.04
41877	11/30/2018	Pamplin Media Group		AP		Uncleared	65.84
41878	11/30/2018	PlanB Consultancy		AP		Uncleared	13,312.50
41879	11/30/2018	Portland General Electric		AP		Uncleared	3,238.00
41880	11/30/2018	Ritz Safety LLC		AP		Uncleared	472.31
41881	11/30/2018	NGA TRAN		AP		Uncleared	169.46
41882	11/30/2018	Traver's Cleaning Service Inc.		AP		Uncleared	340.00
41883	11/30/2018	Unifirst Corporation		AP		Uncleared	898.70
41884	11/30/2018	Verizon Wireless		AP		Uncleared	1,153.62
Paper Check Disbursement Activity Subtotal							378,385.58
Voided Paper Check Disbursement Activity							0.00
Adjusted Paper Check Disbursement Activity Subtotal							378,385.58

Bank Reconciliation  
 Checks by Date  
 User: jeff  
 Printed: 12/10/2018 - 2:01PM  
 Cleared and Not Cleared Checks  
 Print Void Checks

Check No.	Check Date	Name	Comment	Module	Void	Clear Date	Amount
ACH Disbursement Activity							
0	11/1/2018	Chase		AP		11/30/2018	189,662.50
0	11/2/2018	Check Commerce		AP		11/30/2018	134.75
0	11/13/2018	Wells Fargo Remittance Center		AP		11/30/2018	7,632.89
0	11/13/2018	Wells Fargo Banks		AP		11/30/2018	1,402.20
0	11/13/2018	TSYS		AP		11/30/2018	6,743.98
11132018	11/13/2018	Public Employees	PERS AJE EDX>Book	BRX		11/30/2018	0.05
0	11/15/2018		DD 00001.11.2018	PR		11/30/2018	74,313.32
11151322	11/15/2018	Nationwide Retirement Solutions	Nationwide Retirement Solutions	BRX		11/30/2018	1,575.00
11151366	11/15/2018	Oregon Department Of Revenue	Oregon Department of Revenue	BRX		11/30/2018	8,986.67
11151418	11/15/2018	Public Employees	Public Employees	BRX		11/30/2018	24,784.84
11151580	11/15/2018	IRS Dept of The Treasury	IRS Dept of The Treasury	BRX		11/30/2018	31,393.82
11151596	11/15/2018	VALIC c/o JP Morgan Chase	Valic c/o JP Morgan Chase	BRX		11/30/2018	3,290.00
11161596	11/15/2018	VALIC c/o JP Morgan Chase	VALIC c/o JP Morgan Chase	BRX		11/30/2018	-85.00
11171596	11/15/2018	VALIC c/o JP Morgan Chase	VALIC c/o JP Morgan Chase	BRX		Uncleared	85.00
0	11/19/2018	Pitney Bowes, Inc.		AP		11/30/2018	600.00
11281418	11/28/2018	Public Employees	Public Employees	BRX		11/30/2018	0.05
0	11/30/2018	Nationwide Retirement Solutions		AP		11/30/2018	3,150.00
0	11/30/2018	Oregon Department Of Revenue		AP		11/30/2018	18,078.92
0	11/30/2018	VALIC c/o JP Morgan Chase		AP		11/30/2018	6,580.00
0	11/30/2018	IRS Dept of The Treasury		AP		11/30/2018	63,099.03
0	11/30/2018	Public Employees		AP		11/30/2018	49,824.55
0	11/30/2018	Oregon Dept of Rev-Garn		AP		11/30/2018	403.69
0	11/30/2018	The Bank Of New York Mellon		AP		Uncleared	651,496.94
0	11/30/2018		DD 00002.11.2018	PR		11/30/2018	75,034.39
11301418	11/30/2018	Public Employees	Public Employees	BRX		11/30/2018	-49,824.55
11301596	11/30/2018	VALIC c/o JP Morgan Chase	Valic c/o JP Morgan Chase	BRX		11/30/2018	-6,580.00
11311418	11/30/2018	Public Employees	Public Employees	BRX		Uncleared	25,039.71
11311596	11/30/2018	VALIC c/o JP Morgan Chase	Valic c/o JP Morgan Chase	BRX		Uncleared	3,290.00
11321322	11/30/2018	Nationwide Retirement Solutions	Nationwide Retirement Solutions	BRX		11/30/2018	-3,150.00
11321580	11/30/2018	IRS Dept of The Treasury	IRS Dept of The Treasury	BRX		11/30/2018	-63,099.03
11331322	11/30/2018	Nationwide Retirement Solutions	Nationwide Retirement Solutions	BRX		Uncleared	1,575.00
11341366	11/30/2018	Oregon Department Of Revenue	Oregon Department of Revenue	BRX		11/30/2018	-18,078.92
11351366	11/30/2018	Oregon Department Of Revenue	Oregon Department of Revenue	BRX		Uncleared	9,092.25
11361580	11/30/2018	IRS Dept of The Treasury	IRS Dept of The Treasury	BRX		Uncleared	31,705.21
ACH Disbursement Activity Subtotal							1,148,157.26
Voided ACH Activity							0.00
Adjusted ACH Disbursement Activity Subtotal							1,148,157.26

Total Void Check Count:	0
Total Void Check Amount:	0.00
Total Valid Check Count:	138
Total Valid Check Amount:	1,526,542.84
Total Check Count:	138
Total Check Amount:	1,526,542.84



OAK LODGE WATER SERVICES  
Minutes  
Board of Directors – Special Meeting 9:00 a.m.  
October 10, 2018

Board of Directors - Members Present:

Nancy Gibson, President  
Susan Keil, Vice President/Secretary  
Lynn Fisher, Treasurer  
Kevin Williams, Director  
Paul Gornick, Director,

Board of Directors - Members Absent:  
none

Oak Lodge Water Services Staff Present:

Sarah Jo Chaplen, General Manager  
Aleah Binkowski-Burk, Human Resources and Payroll Manager  
Jason Rice, District Engineer  
David Mendenhall, Plant Superintendent  
Kelly Stacey, Finance Director  
Todd Knapp, Field Operations Superintendent  
Tommy Brooks, District Attorney, Cable Huston LLP,

Visitors and Speakers Present:

Joseph Edge, Local Resident and NCUWC Board Member  
Chris Runyard, North Clackamas Urban Watersheds Council (NCUWC) Board Member  
Neil Schulman, NCUWC Executive Director  
Jim Martin, Local Resident  
Jane Civiletti, Local Resident  
Terry Gibson, Budget Committee Member  
Tonia Williamson, NCUWC Board Member, North Clackamas Parks & Recreation District (NCPRD) Staff,  
James Stotler, Local Resident  
Angela Wieland, Engineer, Brown and Caldwell,  
Rick Pauker, OLWS Pollution Prevention Specialist,  
Libby Barg, Facilitator, Barney and Worth.

## **Board of Directors Special Meeting**

### **1. Call to Order and Flag Salute**

Board President Nancy Gibson called the special meeting to order at 9:00 a.m. and the group recited the pledge of allegiance.

### **2. Call for Public Comment**

Joseph Edge, local resident of River Forest Lake watershed and NCUWC Board Member, encouraged the District to be out ahead of the coming regulations, including the Endangered Species Act and regulations that protect sensitive populations including

salmon. He recommended pursuing fees and charges as necessary to support a robust Surface Water Program, to reduce the toxics going into local waterways and the Willamette River. He mentioned charges that could include System Development Charges and other fees for new development and redevelopment in the District.

Neil Schulman, Executive Director of NCUWC, commented, echoing the statements of Joseph Edge. He believes that in addition to the regulatory requirements there are a number of changes going on in Clackamas County including increased population, increased impervious surface, and this should magnify the need to go beyond the minimum to support fish and wildlife needs. He pointed out many innovative surface/storm water treatment projects to learn from. He encouraged a higher level of service from the District.

Jim Martin, local resident and former OLWS Board Chair, commented on Section 9 – Post-Construction Site Runoff, pointing out the group has heard comments on this topic (flows of water in people's yards, etc.) at previous meetings from Jennings Lodge residents. He suggested OLWS does not have a program to recognize when additional flows are entering people's yards and suggested we should consider a program that somehow detects this in innovative ways, and then deals with it effectively.

Terry Gibson, Board Member of NCUWC, commented on the return of beavers to Boardman Creek, Stringfield Park, and downstream. He encouraged the District to entertain a policy on monitoring and dealing with this keystone species, and to work in partnership with Clackamas County to enforce this policy.

Tonia Williamson, NCUWC Board Member, NCPRD Staff, commented NCPRD has similar goals on surface water with regards to improving habitat and water quality and has successfully partnered with Oak Lodge on a variety of projects over many years. She hopes that successful partnerships continue, and she suggested NCPRD wants to continue to understand the compounding issues and mitigate and resolve the issues. She mentioned Parks located in the District and stated that even though they don't have an MS4 Permit, they still want to partner to explore options and opportunities, address issues and improve water quality.

President Gibson mentioned the public could submit more comments later in the meeting.

### **3. Watershed Protection Program Update**

Facilitator Libby Barg, Principal from Barney and Worth, asked the members of the entire group to introduce and identify themselves, which they did (see Board, staff, visitors and speakers present). Jason Rice, District Engineer, pointed out the rest of the Surface Water Staff team as listed on the power point presentation. Libby provided the context of the meeting, suggesting the group would be helping to provide input to start a surface water/storm water master plan and possibly to suggest 6 program changes (see power point). The goal for the day is to decide if the suggested changes would be worth exploring more, and if so, what public input would you need to pursue the change.

Libby Barg asked the Board to share what they believe are the District's most recent accomplishments in the watershed program. Treasurer Lynn Fisher shared he appreciated

the former OLSD Board under Jim Martin's leadership and the SWM Committee engaged the public, in particular the Walta Vista Project and the issue around the cleanout of the outflow of River Forest Lake.

Vice President Susan Keil suggested the OLWS Board, and in the recent past the OLSD Board has become much clearer about the District's role in surface water/storm water, on both public and guidelines for private entities. She appreciated the clarity on our guidelines and that the District is looking broadly at the topic and listening to public concerns (particularly about) flooding.

President Nancy Gibson stated her role in the Boards, both OLWD and now OLWS, and appreciated the stronger cohesiveness of staff in the field, improved clarity with regards to asset management, and public support for the combination of the two Districts. She appreciated the newly updated IGAs with both Sunrise District and the City of Gladstone. She stated how excited she is about the first park, wetland restoration and education project in Jennings Lodge (Boardman Wetland). She encouraged the District to pursue surface water/storm water System Development Charges.

Director Paul Gornick shared he was proud of the start of the Boardman Wetland Project, and the positive impact outreach and education has on the public, and on students through OLWS staff Lara Christensen. He pointed out the importance of the recent conversations with Clackamas County, OLWS's primary MS4 partner, in prompting the focus of this meeting, being that "we want to do more and they want to meet the minimum".

Director Kevin Williams stated he was proud OLWS meets the permit requirements. As a former OLSD Budget Committee and Board member, he believes the District should increase their investment in surface and storm water management. He is very supportive of the Boardman Wetland development and appreciates the District's partnership with the High School students and hearing them present to the Board each year.

Jason highlighted the slide about service levels and public outreach and reiterated that the goal for this meeting was to capture feedback on what to ask the public about in coming months. Then he highlighted the main parts of the watershed protection program and how they fit together, including providing an overview of the current Municipal Separate Storm Sewer System (MS4) Permit.

He shared the importance of partnering with co-permittees with regards to biological monitoring, outreach, and other factors of the permit. Jason illustrated the original challenge within the relationship between the District and Clackamas County – OLWS is responsible for water quality and Clackamas County for quality and physical repair and maintenance of the storm system. Conversation ensued around the County's responsibility for the roads and whether they are private roads, p-roads, or public roads. Private roads are privately owned, whereas p-roads are developed to County standards but have not been accepted into the County's infrastructure. Both of these roads may not be cleaned or maintained by either the District or by Clackamas County, but the District is often called to help with the situation.



Angela Wieland, the OLWS project manager and Water Resource Engineer with Brown and Caldwell, shared information about the industrial storm water inputs. Angela referenced documents from the Board Packet, including the MS4 Permit Schedule.

Jason stated the biggest challenges OLWS has is as a water quality management agency and in getting Clackamas County, Oregon Department of Transportation, and other partners to take additional responsibility for water quality, including surface and storm water. Rick Pauker illustrated the example of ODOT State Highway 99 running through the OLWS District and contributing pollution to the District's water quality but not sharing information about how ODOT cleans and maintains the catch basins or monitors water quality in those basins. Runoff from Hwy 99 enters the OLWS waterways and contributes to our levels of monitored pollution. Included in those pollutants are brake pads, oils, metals, bacteria, and others.

Education and outreach requirements include eight education and outreach goals, and whole water messaging can be used reinforce messages to the public and work with partners to leverage outreach requirements. Partners include schools, non-profit partners, and other community partners. An effectiveness evaluation is regularly conducted in partnership with co-permittees to find out how well messaging gets out. Another great outreach program is the Stormdrain Cleaning Assistance Program to help private drain owners/businesses keep their drains clean at an affordable price. Partnerships make the work more accessible to the general public and broaden the reach of the OLWS District.

Permit requirements for water quality are provided through OLWS, including permits for 1000 square feet and larger for new and replaced impervious surface for erosion control, as well as sewer and water connections. Education for contractors and homeowners includes talking with landowners, sending messages in newsletters and adding information to the website. OLWS is supported in permitting by Clackamas County.

Vegetated water quality facilities like swales, ponds, and other infiltration catchment systems are often installed as a requirement of development in the District. The MS4 Permit recommends vegetated facilities as part of the requirements. Jason recommends that OLWS should maintain these systems as part of a comprehensive surface and storm water program, but at this point we do not maintain the facilities. Because they are left to the owners, the maintenance is not systematized. This can negatively affect water quality and District experiences challenges with regards to making sure permits are obtained when they are required. Staff recommended the District purchase and maintain detention ponds and vegetated facilities to account for water quality. Funds would be generated through water quality fees.

The 2012 MS4 Permit required technical evaluations including Hydromodification Assessment and the District's Retrofit Strategy. Angela illustrated the Hydromodification Assessment that co-permittees did in partnership, which looked at OLWS streams and evaluated how susceptible they are to erosion. Erosion can change habitat and exacerbate water quality both instream and for the receiving waters. This could affect detention standards and stream buffers to support water quality for Post-Construction Design Standards. The Retrofit strategy required jurisdictions to identify water quality projects with

the goal of increasing the amount of impervious surface that funnels water into treatment facilities. This could include prioritizing Capital Improvement Projects (CIP).

Monitoring is required and scheduled by the MS4 Permit and is performed in partnership with co-permittees and annually reported to DEQ. OLWS samples three sites four times per year, one site three times per year (storm water sampling), and one site four times per year (1200 Z Permit for the Water Reclamation Facility). This often takes two people, and we do not have extra people in the program to support the sampling.

Staffing is a necessary part of our budgeting and since staffing resources need to be allocated appropriately the importance of this must be communicated clearly to the public in order to generate support for resources. Staff commented they are needing additional resources to conduct even the basic services required by the program.

Annual reporting documents get posted for public comment and then submitted to DEQ each year. This year DEQ requested completion of an electronic 5-year survey as part of reporting requirements. Monitoring and reporting are covered by the reports, which the Board asked to review.

The current permit is in an administrative hold due to DEQ being reorganized. There are administrative changes going on at DEQ as well as FTE being added so that permit writers can be assigned to jurisdictions. Smaller jurisdictions are also waiting on an updated Phase II permit and have pushed back on changing Maximum Extent Practicable (MEP) language.

The group took a 5-minute break and returned to discuss six proposed changes.

## **1. Future Watershed Service Conversation**

Facilitator Libby Barg requested conversation and input on the six options for change and what they think would be useful to discuss with the public in each instance.

Jason introduced six proposed changes in the slides. Changes included improvement of how we require development of surface/storm water facilities and who assumes responsibility for them after they are built. Right now, as part of their deed the private landowner is responsible for managing the facility and the District is responsible for inspecting (and in some cases for maintaining) the facilities for an additional fee. In the past this program has been managed in a variety of ways and needs to be reorganized.

OLWS requires for surface/storm facilities to be developed, and Clackamas County's preference that the facility is not in the right-of-way but instead on private property because then they are not responsible for managing them. They want catch basins because then OLWS will be responsible for managing the basins.

Staff recommends consistency for the program, and since we require for the facilities to be built, OLWS should take responsibility for maintaining the facilities and build management of the facilities into the rates.

The Board asked if subdivisions require Homeowner's Associations (HOA), and staff thought it might be a requirement of the size of the subdivision. Conversation ensued about

how to make sure the standards are met for all impervious areas including subdivisions and also how to channel funds to support the standards (ODOT, County, rates, HOA's, etc.). The Board restated the importance of the baseline to meet the state water quality standards for all jurisdictions operating in our area and that Clackamas County should be meeting that standard with funding. Clackamas is the only Metro county with no local funding going into transportation funding. The Board is open to having facilities in the right of way and OLWS rates to cover maintenance for them.

Staff commented the District does not have the resources to maintain the facilities yet, but staff recommends conditioning the developer to build the facilities in or near the right of way and then turning responsibility for maintenance over to the District. The District would then reorganize the base rate to include all existing and future facilities. The Board emphasized without the development, there would be no need for the facility to treat the additional surface/storm water. The Board pushed back on having ratepayers cover the costs of something that the County owns and should maintain them.

Maintenance of catch basins is a requirement of the MS4 Permit. Staff asked if we should become the enforcement authority instead, to stand up for the water quality in the system and to spend energy requiring the County to maintain facilities and catch basins. There is a difference between private and public facilities, and OLWS could provide a range of services based on the different needs and requirements of these facilities. Unfortunately, the County has not allocated funding to the facilities at this point. The Board pointed out Clackamas County needs to be taking care of these issues county wide and should fund it through both dedicated transportation funds as well as from the property tax base.

General Manager Sarah Jo Chaplen pointed out looking at current practices and thinking about what might change in the future. Currently the County requires HOA's to maintain facilities but HOA's are not maintaining facilities. If we changed the program to anticipate OLWS may be maintaining it, or a fee may be put into place, it is easier for the District to deal with facilities if they are in the public right of way. She encouraged the discussion to separate out what the Board wants the service level to be from the costs associated. She recommended we will need to be taking care of the water quality from these facilities at some point in the future because of changing requirements, and we need to consider how we want to deal with the requirements within a range of service levels.

She mentioned at a staff to staff level OLWS can redo the OLWS memorandum of understanding and focus on enforcement, but without Board to Board engagement larger changes to the program will not happen. The Board pushed back on building the facilities but suggested they would feel comfortable maintaining it, and they asked about cost analysis of maintaining within the fees charged. Staff shared the history of the program, illustrated the database of facilities, and recommended cleanup and reorganization. Our permit requires inspection of the facilities regardless of the fee.

Libby suggested this topic needs to be explored more and asked for input within the realm of what feedback would look like from the public. The Board pointed out in order to charge for maintenance of the already built facilities we would need to show progress on building new facilities in problem areas (flood prone locations). Otherwise the District could appear to be subsidizing facilities that were originally supposed to be maintained by the HOA's. The Board commented that the public does not easily digest the message of water quality separated out from flooding (water quantity). They are concerned with flooding.

Staff outlined the idea to address localized flooding by building facilities in flood prone areas and asked who would manage the facility. The Board did not want to add fees for building the flood facilities but were somewhat more comfortable with maintaining the facilities if it was clear that they alleviated flooding. If linked to public road maintenance within 30 years everything will be required to be treated.

Libby clarified that if we tie these issues in with broader issues like regional flooding then ratepayers might be more comfortable paying the additional fee for treatment and maintenance. If we spread the facilities throughout the District and focus on flood prone areas that would help. Drainage issues may be due to infrastructure issues such as undersized pipes, lack of catch basins, wrong-sized facilities, ponds and detention systems, road grading, etc. Infrastructure in the right of way can be maintained by OLWS or the County.

The Board asked Libby to ask the public what they want to be in it for them, and what are they willing to pay for that infrastructure. The Board suggested to add surface water System Development Charges (SDCs) and a Capital Improvement Program more focused on flooding issues in our District. The Board suggested people need to understand the education layer that these investments are for the future as well as today.

Libby outlined a public outreach campaign showing a variety of levels of service with costs associated to each service level in order to get feedback. Staff clarified the focus of the conversation is on deficiencies in a system that the District does not own but that the Board's feedback is that it is ok with supplementing the County's program to enhance it because asking the County to fix it has not worked. The Board stated it preferred first to ask the County to fix the issue with the idea that it might not work and then we would negotiate.

General Manager Chaplen pointed out we are in the process of developing the 5-year surface water plan and we need more input to clarify what level of service the County will provide and what level of service the customers want. Staff stated OLWS has met with DTD several times and they are stretched thin to the point they are not concerned with the OLWS area. We have tried to hold them accountable and they are not coming through. The Board pushed back by stressing the regulatory hook as being the driver of getting them to maintain their responsibilities. Staff reminded the group that in 2012 the customer survey provided feedback that flooding was a number one issue. Libby pointed out that even without building a project-based CIP rate structure, one snapshot to present to the public would be status quo.

The Board asked staff to estimate the percentage of inadequate or undersized drainage facilities owned by Clackamas County and staff responded about 60%. Right sizing these catchment facilities would be very expensive. The Board reminded the group that charging more for the OLWS surface water program has been a goal for many years. The Board asked for the prioritization of projects that would bring the most benefit District residents, businesses and customers in terms of water quality and flooding.

Staff commented that the responsibility OLWS has under the MS4 Permit is the same as any nearby jurisdiction, but the level of programmatic funding within other jurisdictions is much higher. General Manager Chaplen summarized this section: OLWS will go to the public with scenarios of what our current service levels put together with future service levels outlined and the costs associated with monitoring and managing new facilities. The big question continues to be flood management with regards to rates and fees, in relation to other responsible jurisdictions (DTD, Clackamas County), and in a realistic timeframe.

The Board reiterated the importance of having the conversation with ODOT about the transportation system pollutants being the worst pollutants of concern entering local waterways, and how to get ODOT to address the issue. Clackamas County worries they lack the funds to keep up with the issue. Flooding is the visible issue of concern to the public and smaller projects should help fix the problem. The master plan should focus on correcting the flooding at the development level, as well as to ensure right sizing surface water facilities.

The Board mentioned Clackamas County may implement transportation funding fees, like a vehicle registration fee. The Board also asked if people with large lots or more impervious surface (like commercial grade driveways) should have a higher watershed protection fee or a variable surface/storm water rate, and OLWS should implement SDC's. The issue becomes one of equity.

Staff commented perhaps the first step is to draft the MOU with Clackamas County, and public input could help with the draft. The public input and illustration of a variety of service levels will be presented as part of the input process. Jim Martin was asked to comment, and he added the conversation is going too deep at some points. He encouraged the Board to make the District's high-level preferences known and then have Jason and Libby flesh out the scenarios and bringing them back to the group. After those scenarios are reviewed by the Board, they should be reviewed by a citizens committee and then structured before being shared with the public.

The group took a break at 12:12 p.m. and reconvened the Special Meeting at 12:30 p.m.

Public comment from James Stotler, 2620 SE Risley Ave. and is part of an 11-house homeowners association backing up on Green Heron Ponds. The development was built in 1977 and drainage and springs go into the ponds. There is a drainage culvert going over to the park and has filled up with sediment over the years. In addition, this year a beaver has dammed the culvert and in major rainstorms 5 of the houses are flooded, with two of the homes being flooded into their living areas. Because multiple jurisdictions have not cleared up the culvert a local resident took it upon himself to work on the clog. A local work crew looked at it but haven't been back to conduct any work. The sections of cement drainage pipes have broken apart over time and the water pressure differential causes water to flood over the street and floods the homes. He is asking the Board to consider helping the situation even though we do not own the system. The Board thanked him and asked for input about what he would want from OLWS and how much he would want to pay for those services. He commented he would like the drainage areas to be maintained and the HOA is working hard on maintaining their portion of the wetland and pond area.

The next topic put forward for change is plan review at the level of OLWS having more control over development in the District. The Board asked how this might be envisioned in our District and staff suggested we would consider taking on more of a land use regulation position in relation to Clackamas County. This could include a variety of land use like regulations that stop short of an authority. The Board suggested thinking about an overlay zone established legislatively, which Clackamas County would still oversee. General Manager Chaplen asked where code would come in, for example with regards to adding incentives or prescriptions to support water quality. This could have rate or SDC implications, but in general the question is whether we want to explore elevating the standard of development in this area like a watershed protection overlay zone.

The Board recommended not taking on too much and that this might not be at the top of their priority list. While the idea of an overlay zone is nice, the enforcement aspects of this type of work is very challenging. OLWS does not currently have the mechanism to enforce the rules that we currently have, so we should not add more. The Board agreed that this idea should stay on the list for the future, but at this point should not be developed further because of the current resource level for enforcement.

Inspections are another idea to consider. This could include regular inspections of current commercial areas to verify sewer SDCs and surface/storm water compliance. The Board mentioned there might be enough money in the fines to support the staff time for enforcement. They were supportive about contracting out inspection but keeping enforcement within staff resources. The District does not currently have the resources for this level of service.

Inefficiencies were found in plan review and inspection in the District's partnership with Clackamas County, and the MOU with the County needs to contain more detail. This is not something that needs to be explored more with the public, but the MOU needs to be clarified so that commitments can be kept. The Board commented at the Community Planning Organization (CPO) level people are very concerned with Post Construction Runoff design and enforcement of facilities that support the amount of runoff new development creates. Another issue for the public heard at the CPO level is development that encroaches on the wetlands when public perception is wetlands were protected. Staff clarified some of the challenge is the District would need to lobby to change Clackamas County's code for more environmental protection, and then achieve enforcement of the added protection. There are many layers of complexity, which make it difficult to clarify who is supposed to do what and at what point in time.

The goal for today is to create information that allows you to take the next step towards defining future goals. We have an MOU to update to clarify the boundaries, we have code that should be looked at, shored up and enforced upon, and we have the umbrella topic to be looked at which is should the District be in the flood management business as compared with the business of water quality. The Board agreed it seemed easier to manage rates to support a surface water program that includes a focus on flooding. They asked for feedback from the facilitator about how the District could do this work differently as compared with other districts. Libby responded how complicated this topic is in general and commented it is even more difficult and complex in OLWS due to the nature of the relationships. There are federal and state laws, county regulations, and District code. She reinforced the importance of this meeting and Jason's goal to clarify what pieces are currently in place and then to approach the public for feedback in developing the next master plan.

The Board stressed on the importance of partnerships and framing issues clearly. The General Manager commented on the challenge of the timeline and making sure we move forward while respecting the needs of customers. Tonia from NCPRD commented on the lack of research about a comprehensive watershed look at what will help flooding most. Risley Park is a good example of a park providing increased floodplain capacity but with the compounded issue of a blocked drainage catchment facility. The facility was owned by Clackamas County and was later transferred to NCPRD to be maintained long term.

Libby mentioned staying with a larger perspective and moved the agenda onto education and outreach. Neil from NCUWC reminded the group ultimately the fish and the local residents both do not care about jurisdictional boundaries, what matters is who has the best

tool to help move the projects forward. Rick reinforced OLWS should have the authority to address problems and Jason questioned when Clackamas County does not address issues that are their responsibility, how much should OLWS take on these problems? The Board supported staff on clarifying the line that OLWS will hold regarding timelines for flooding and maintenance issues. General Manager Chaplen noted the delta difference around Clackamas County's level of service and the OLWS goals and level of service for water quality and quantity in our District. The Board reiterated this will require looking at the rate models and asking the public what they expect and would want to pay for. Libby pulled the group back to getting a pulse on the topic of education and outreach.

Currently, OLWS invests in about 0.5 FTE outreach and education and could consider shifting that allocation. The investment includes website maintenance, newsletters, partnerships on outreach and education, and could involve greater investment of time and resources. The Board asked if the outreach is mostly toward students and staff responded mostly, although some efforts are towards adult populations. The Board asked if more adult outreach might be important, staff responded adult education is where outreach can approach code enforcement and suggested Rick does adult education when he approaches them around enforcement. The Board suggested going to adult groups like CPOs but most adult community groups might be considered "preaching to the choir", so maybe the best way to broaden adult outreach is to meet adults where they are. We must tell the people why we want issues taken care of, not only because of regulations, but because the end result goes into biosolids and clean drinking water and recycled water. The Board is interested in exploring expansion to a bigger audience.

The next topic is Construction and Capital Improvement Projects, and staff suggested addressing flood management and water quality through capital projects after the MOU with Clackamas County has been clarified. Is this something we want to take out to the public to ask about? The Board agreed OLWS will talk about flood management and water quality as part of the master plan, and we should take this question to the public. Staff commented on establishing a baseline of service in order to go out to the public in case you need to ask for more resources for greater levels of service.

IGAs and MOUs with other jurisdictions is the next topic. OLWS staff reiterated clarifying the MOU with Clackamas County and proposed possibly updating the relationship with ODOT. The Board supported this suggestion and added this work is necessary internal work and does not need to be commented on by the public.

Jason asked if there are any other items the Board thought should be commented on by the public. The Board believes the public wants to do the right thing and asked if there were items the public could assist with through increased understanding, for example in the automotive trades area. Programs would look like Backyard Habitat and low pesticide use programs but for District businesses and commercial trades (eg: car dealerships). The Board also suggested enlisting the public's support when we are working with some of our partner agencies (Clackamas County) and getting others to speak out to their County Commissioners on behalf of the District.

Staff asked about considering reduction of services and the Board said, yes, that could be part of what we ask the public along a spectrum of service levels. Libby asked if the group wanted to meet again before going out to the public and the Board agreed they wanted to meet again to hear synthesis and review options. The Board also reminded staff about reforming the public utility committee to advise the District on a variety of issues. General Manager Chaplen mentioned our Field Operations Manager, Todd Knapp, would like street

sweeping to be a part of the future discussion, especially if the OLWS logo were on the street sweeper. OLWS could focus on some or all streets, including ones Clackamas County does not sweep. OLWS could supplement or replace services.

## **2. Call for Public Comment**

Neil from NCUWC commented on the difficulty of separating flood management from water quality both on the natural resources side as well as on the political side. He was supportive of the conversation and volunteered to have NCUWC be part of an advisory committee. Tonia from NCPRD commented on the concept of a research/survey/plan to help prioritize issues like flooding, meandering, ponding, water quality, etc. Partners could negotiate and mobilize on how to work together in relation to the prioritized list of issues.

## **3. Business from the Board**

Staff will refocus and come back to the Board in about a month, with the first issue to be tackled being the clarification of the MOU and discussion of commitment with Clackamas County. The Board suggested making sure the Budget implications are organized for the coming year. General Manager Chaplen stressed getting a good Surface Water Master Plan onto the District's plate in a timely fashion and with public input, and how important that will be for the longer-term timeline of the future Board and Staff. She thanked Libby and Jason and all the staff for putting together a successful meeting. The Board also reminded staff of communication with the newspaper and keeping a public conversation going through that avenue. The Board thanked staff and all other participants for their work on this issue and ended the meeting by stating the end goal of serving the ratepayers well, and our next steps will involve finding out how much they are willing to let us do for them.

## **4. Adjourn Special Board Meeting**

President Gibson ended the special meeting at 2:00 p.m.

Respectfully submitted,

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Nancy Gibson  
President, Board of Directors

Date: \_\_\_\_\_

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Susan Keil  
Secretary, Board of Directors

Date: \_\_\_\_\_





OAK LODGE WATER SERVICES  
Minutes  
Board of Directors – Special Meeting 9:00 a.m.  
October 25, 2018

Board of Directors - Members Present:

Nancy Gibson, President  
Susan Keil, Vice President/Secretary  
Lynn Fisher, Treasurer  
Kevin Williams, Director  
Paul Gornick, Director,

Board of Directors - Members Absent:  
none

Oak Lodge Water Services Staff Present:

Sarah Jo Chaplen, General Manager  
Aleah Binkowski-Burk, Human Resources and Payroll Manager  
Jason Rice, District Engineer  
David Mendenhall, Plant Superintendent  
Kelly Stacey, Finance Director  
Todd Knapp, Field Operations Superintendent  
Tommy Brooks, District Attorney, Cable Huston LLP,

Visitors and Speakers Present:

There were no members of the public present.

## **Board of Directors Special Meeting**

### **1. Call to Order and Flag Salute**

Board President Nancy Gibson called the special meeting to order at 9:03 a.m. and in lieu of the Pledge of Allegiance requested a moment of gratitude for being alive based on the recent trauma of her house fire.

### **2. Call for Public Comment**

President Gibson called for public testimony. There were no members of the public present.

### **3. Resolution Number 18-12: Consideration of Sanitary and Water Fees for Certain Municipal Connections to the District's Systems after a Public Hearing**

General Manager Sarah Jo Chaplen and District Attorney Tommy Brooks provided an overview of the issue stating the rates and fees of customers are laid out in a schedule of rates and fees and that there are some instances calling for special circumstances for certain rates and fees. The issue that arose is in certain Intergovernmental Agreements there are references to charging rates and fees in different situations, but the "Schedule of Rates and Fees and Other Charges" does not clearly illustrate the special condition. Several items were added to the 2018-2019 Schedule to account for this situation.

Specific additions include Footnote 3 on Page 2, "Wastewater Collection and Treatment", which references the monthly sewer rate for Gladstone. The footnote reads, "Also applicable to other municipalities that use the District as the service provider for treatment."

The second change appears at the bottom of Page 3 called the "Connection Fee / Hook Up Fee" and applies to municipal customers only. The item works in the same way an SDC methodology might work for cities using OLWS as a treatment provider. This is the charge OLWS would charge a city for any new hookups that track through into our system. In relation to this charge, footnote 15 reads, "Applicable to municipal customers who allow new connections to municipal facilities that use District treatment services." These proxies cover sanitary district situations, while water situations are likely to be slightly different because of wholesale water rates as covered in the IGA's with the North Clackamas County Water Commission. In the future the rate and the SDC charge may be different, which is another reason to keep them separate on the Schedule. This change should cover most situations that come up with a variety of cities and municipalities. The Board asked if there are any risks in using the same number as the SDC rate and staff responded in this situation this number covers the methodology for assessment of cost of service per Equivalent Dwelling Units, in this situation as applied to the partnership city.

The Board asked about where the water "turn on fee" is located on the schedule and staff responded the listed fee is charged when the water is shut off and must be paid before the water is turned back on. The Board commented on the new hook up fee changing over time as SDC fees change, and if it will change is there a way to put in a variable that goes up in relation to the SDC change over time. It could read "the fee will be equal to or comparable to the current SDC rate". Staff responded we would age forward the charges once per year as the SDC rate changes. There is no current shut off or turn on charge for people who have the water shut off in situations other than lack of payment. The Board discussed the situation further, including looking carefully at special situations. The Board asked to table the situation until more research can be provided about voluntary compared with non-voluntary shut offs. Information will be brought back to the Board in order to work it into the next budget cycle and onto the next Fee Schedule.

#### **4. Opening a Public Hearing**

At 9:35 a.m. OLWS President Gibson called for a Public Hearing in relation to Resolution No. 18-12 Revising Fiscal Year 2019 Rates, Fees and Other Charges. There was no public testimony.

#### **5. Closing the Public Hearing**

At 9:36 a.m. the Board President closed the Public Hearing.

#### **6. Business from the Board**

**Director Gornick moved to approve Resolution No. 18-12 Revising Fiscal Year 2019 Rates, Fees and Other Charges. Director Williams seconded the motion.**

**Ayes: 5**

**Nays: None**

**Motion carried: 5-0**

**7. Call for Public Comment**

There were no comments from the public.

**8. Business from the Board**

There was no additional business from the Board of Directors.

**9. Adjourn Special Board Meeting**

President Gibson ended the special meeting at 9:38 a.m.

Respectfully submitted,

\_\_\_\_\_  
Nancy Gibson  
President, Board of Directors

Date: \_\_\_\_\_

\_\_\_\_\_  
Susan Keil  
Secretary, Board of Directors

Date: \_\_\_\_\_



OAK LODGE WATER SERVICES  
Minutes  
Board of Directors – Special Meeting 1:00 p.m.  
November 15, 2018

Board of Directors - Members Present:

Nancy Gibson, President  
Susan Keil, Vice President/Secretary  
Lynn Fisher, Treasurer  
Kevin Williams, Director  
Paul Gornick, Director,

Board of Directors - Members Absent:

none

Oak Lodge Water Services Staff Present:

There were no staff present because of the nature of the Special Meeting.

Visitors and Speakers Present:

There were no members of the public present.

## **Board of Directors Special Meeting**

### **1. Call to Order and Flag Salute**

Board President Nancy Gibson called the special meeting to order at 1:03 p.m. and asked Vice President Susan Keil to lead the Pledge of Allegiance.

### **2. Call for Public Comment**

President Gibson called for public testimony. There were no members of the public present.

### **3. Recess to Executive Session under ORS 192.660 2(i) to review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.**

President Gibson recessed into Executive Session at 1:04 p.m.

### **4. Adjourn Executive Session – Board may take action if necessary.**

President Gibson reconvened the Special meeting at 2:23 p.m. There were no actions called for or taken.

### **5. Adjourn Special Board Meeting**

President Gibson ended the special meeting at 2:24 p.m.

Respectfully submitted,

\_\_\_\_\_  
Nancy Gibson  
President, Board of Directors

Date: \_\_\_\_\_

\_\_\_\_\_  
Susan Keil  
Secretary, Board of Directors

Date: \_\_\_\_\_



OAK LODGE WATER SERVICES  
Minutes  
Board of Directors – Regular Meeting 6:00 p.m.  
November 20, 2018

Board of Directors - Members Present:

Nancy Gibson, President  
Susan Keil, Vice President/Secretary  
Lynn Fisher, Treasurer  
Kevin Williams, Director  
Paul Gornick, Director.

Board of Directors - Members Absent:  
none

Oak Lodge Water Services Staff Present:

Sarah Jo Chaplen, General Manager  
Aleah Binkowski-Burk, Human Resources and Payroll Manager  
Jason Rice, District Engineer  
David Mendenhall, Plant Superintendent  
Kelly Stacey, Finance Director  
Todd Knapp, Field Operations Superintendent  
Tommy Brooks, District Attorney, Cable Huston LLP  
Haakon Ogbeide, District Associate Engineer,

Visitors Present:

Thelma Hagenmiller, Local Resident  
Eric Hofeld, Sunrise Water Authority.

## **Regular Board of Directors Meeting**

### **1. Call to Order and Flag Salute**

Board President Nancy Gibson called the regular meeting to order at 6:00 p.m. and led the group in a moment of gratitude for the coming Thanksgiving Holiday.

### **2. Call for Public Comment**

There were no comments from the public.

### **3. Consent Agenda**

#### **a. October 2018 Financial Reports**

##### **i. Approval of October 2018 Check Run**

#### **b. October 16, 2018 Board Meeting Minutes**

Treasurer Fisher asked about the Service Development Charges (SDC) on page 1 of the Financial Roll Up. Financial Director Kelly Stacey responded that the debit was a refund of an SDC that was paid in duplication. He asked about the policy approval process for a large check, for example the \$579,000 check for James Fowler for the Boardman Wetland

construction project. Staff responded when an invoice comes in, the staff responsible for the work approves the invoice and submits it for payment. Although there is no policy in place for approval of a large check specifically, a large invoice will not get paid without approval of the staff in charge of it, as well as having the oversight of the Financial Director and two signatures of approval on every check. Vice President Keil asked why we are paying Christine Leon and staff responded it was a refund of something from the Utility Billing reporting system. The Board asked what “service installation” means from the Budget to Actual report, and staff responded the term refers to inspections of installation of service. Director Gornick asked about the low electricity charge reported, and staff mentioned we would be checking into the issue.

**Director Gornick moved to approve the consent agenda as presented. Director Williams seconded the motion.**

**Ayes: 5**

**Nays: None**

**Motion carried: 5-0**

#### **4. Adoption of Revised Contracting and Purchasing Rules Resolution No. 18-12**

Vice President Keil asked about the definition of the term “resident” and it refers to living in the State of Oregon. There were no other questions. Resolution passes.

**Director Gornick moved to approve Resolution No. 18-12 adopting new purchasing rules for the District. Vice President Keil seconded the motion.**

**NOTE: After the Board meeting, the number of this resolution was corrected to Resolution No. 18-15 due to a scrivener’s error.**

**Ayes: 5**

**Nays: None**

**Motion carried: 5-0**

#### **5. Water Meter Replacement Program: Supply Contract**

OLWS Staff Haakon Ogbeide presented the water meter replacement program: supply contract proposal, which will replace and upgrade the remaining water meters to the same radio read standard that the rest of the system uses. He also presented Item #6 which is the contract for purchasing meters and the contract for the labor and installation for removing and replacing the old meters with the new. The Board appreciated his attention to making sure the costs were as low as possible and asked about the timeline. Staff responded the contract begins immediately and has a hard end by FY 2019-2020. The Board asked for an explanation of the section which states that such a direct purchase of water meter replacements in 2018 “was deemed during internal discussions to not meet the requirements of District purchasing rules”. Staff responded the original work on this program started under the former Water District and in order to move forward as OLWS staff wanted to open up an RFP and make sure the best rates would be achieved. The Board emphasized the importance of opening up the RFP for the correct financial levels and confirmed this situation had met the contracting and purchasing goals. OLWS was able to legally follow and “piggyback” off Tigard’s process and to procure similar rates. Treasurer Fisher asked about whether the charges per water meter were supposed to be \$165 or

\$168, and staff responded one of them is a typo and they checked their numbers. Haakon stated the correct number was \$165. General Manager Chaplen clarified the contact was updated today and provided the correct contract in the Board Blue folders.

**Treasurer Fisher moved to approve our General Manager to sign a contract with Consolidated Supply Co. for the purchase approximately 6,100 water meters at \$165.00 per meter. Director Williams seconded the motion.**

**Ayes: 5**

**Nays: None**

**Motion carried: 5-0**

#### **6. Water Meter Replacement Program: Installation Contract**

OLWS Staff Haakon Ogbeide presented the water meter replacement program: installation contract as drafted in the Board packet. In this situation OLWS was not able to piggyback off another city's process. The RFP closed on November 8 and Micah Olson LLC won the bid at \$259,490.00 for installation of the meters. The District will be paying per meter installed and reported others were satisfied with the contractor's work.

**Treasurer Fisher moved to approve our General Manager to sign a contract with Olson LLC for the work of installing approximately 6,100 water meters for their bid amount of \$259,490.00. Director Gornick seconded the motion.**

**Ayes: 5**

**Nays: None**

**Motion carried: 5-0**

#### **7. Meter Replacement Program Financing Resolution No. 18-13**

Finance Director Kelly Stacey presented the financing plan to cover the expenses for the water meter replacement program. The Board asked about the life expectancy of the water meters and staff replied 20 years, but that updates in technology would likely overtake the lifespan of a meter. Vice President Keil asked if the District should be building a replacement reserve fund for this type of expense as needed in the future. Staff responded yes, this is what we are looking for in the CIP and depreciation equation as well as building our reserve funds to cover these types of costs in the future. Treasurer Fisher asked why the District has 2.5 million dollars in water general reserve earning 2.5%. Staff responded we are saving for our future capital needs which will include replacement of water pipes, as well as holding a match to buy down the future costs of PERS. Staff encouraged the Board to ask how much we should be putting into the reserves. The Board asked whether we should consider using the reserve funds to finance our water meter replacement program costs. Staff responded we will need the reserve funds for the upcoming PERS buy-down match, the investment for the new building, and the water master plan. The Board encouraged staff to develop several scenarios about when we would use the reserve funds. The General Manager asked about the timing for the financing of the water meter replacement program and staff responded we would need to order the full number of meters in early December in order to provide an 8-week lead time for the provider and the contractor.



General Manager Chaplen updated the Board and management team on the timeline for PERS, stating the initial analysis she received on PERS is the District must have \$1,000,000.00 cash available in order to get the highest amount of grant to match it in order to get the best value to buy down the PERS. All of the options will be landed within two weeks, and alternatives can be shared at a special meeting in December.

She suggested moving forward with the water meter replacement program steps as laid out in this meeting to provide the lead time needed for the District, supplier, and installation contractor to move ahead in a timely fashion. The Board emphasized setting clear timeline and schedule for installation, and a financial analysis of the costs for the water meter replacement program in relation to other financial needs that are being staged. To answer the financing question staff stated they would need 1-2 weeks to analyze the problem and would compare using reserve funds for the program with using them for PERS in order to stabilize the rates for the future. Staff added how important reserve funds will be to cover costs for the fast approaching water master plan projects. Visitor Eric Hofeld suggested using the state's "Go" Fund to help offset some of the needed costs.

The Board asked about the water master plan and whether the process of funding of capital improvement projects as reviewed annually by the Budget Committee will change. Staff responded the process will stay the same but there are several projects that will be extensive, like the replacement of cast iron pipes or the addition of an emergency intertie with City of Milwaukie or Portland to alleviate our dependency on water from the Clackamas River. Staff wants to preserve reserve funding for these projects, so rates will remain stable. This information will be presented to the Board in coming meetings as the water master plan gets finished.

The Board heard the staff's concern with tapping into water reserve funds and was reminded the financing of the water meter replacement program had been included in this year's budget. They recommended moving forward with the plans as outlined while requesting staff look carefully in aggregate at making the best financial choices possible in each scenario, particularly regarding rates. They requested analysis of the timing on financing and looking into other sources of funding (State "Go" fund), and they recommended using cash for any overage of the originally budgeted amount to borrow. They emphasized preserving the full reserve amount for the cash PERS match because OLWS is in the top tier of entities with unfunded liability. After more conversation about what for and when OLWS should finance versus use reserves, the Board formulated a motion to proceed.

**Vice President Keil moved that the Board approve the attached updated Resolution No. 18-13 authorizing the General Manager or the Finance Director, or the person designated by the General Manager to enter into a finance agreement after exploring other financing for the water meter replacement project including the State of Oregon General Obligation funding and any other advantageous funding sources, to the level of \$1,300,000.00, and designating that the additional expense, if any, will be funded out of existing water reserves. Director Gornick seconded the motion.**

**Ayes: 4**

**Nays: None**

**Abstain: 1 (Treasurer Lynn Fisher abstained)**

**Motion carried: 4-0**

## **8. Debt Distribution Plan Ratification for Former Sanitary District's General Obligation Bonds Resolution No. 18-14**

General Manager Chaplen turned over the presentation of Agenda Item 8 to District Attorney Tommy Brooks. He provided an overview of the issue, stating the General Obligation Bonds from the former Sanitary District geographic region would be collected through payments from the same historical geographic region. Because of some ambiguity in the language around the debt distribution plan from the former Sanitary District this Resolution clarifies the language in the event of refinancing or levying the remaining bonds. The language restates intent and is part of the commitment of the consolidation. Vice President Keil reconfirmed that this work was conducted by Cable Huston LLP at no additional cost to OLWS, and District Attorney Brooks agreed.

**Director Williams moved to approve Resolution No. 18-14 ratifying and reaffirming the final Debt Distribution Plan approved by the former Water District and Sanitary District. Treasurer Fisher seconded the motion.**

**Ayes: 5**

**Nays: None**

**Motion carried: 5-0**

Treasurer Fisher asked Jason Rice to convey his appreciation to OLWS Staff Haakon Ogbeide for his presentation and good work developing the water meter replacement program, and Jason agreed to do so.

## **9. Department Reports**

- **Finance Report:**

Finance Director Kelly Stacey shared the staff report provided in the packet and added her team is finishing up the audit and the temporary OLWS staff has been getting through many of additional projects needed to clean up the billing system. Vice President Keil asked whether there was still a problem with the bills because of several comments she received. Director Stacey responded there have been problems with the meter read software which OLWS staff Elaine Murray has been working out. The data transfer was difficult, and cleanup has been extended, but is being worked out. The Board asked about the frequency of these issues, staff responded issues are infrequent and are corrected immediately but sometimes issues are not brought up right away by customers. Issues are typically with the water side of the bill because of the meter reading challenges. Customers are still learning the bills have been consolidated and may complain the bill is high when they have not realized the bill is combined. Director Gornick asked who reads the meter when it is being changed out, OLWS staff responded it is field operations staff but will be the contractor when the meter replacement project begins. The data from the files will be put in a standardized format and will include photo documentation. The Board commented on messaging from Nextdoor and staff encouraged the Board to connect customers with OLWS for assistance.

- **Field Operations Report:**

Field Operations Superintendent Todd Knapp referred to his staff report, highlighting the challenges of the main breaks along McLoughlin. Staff is requesting to do a

smaller grind and patch or do the work during the day, and we will continue to resolve the issue. Director Gornick requested an update on the status of the backflow program, and OLWS staff responded the program/contract will move ahead with the return of the program staff after vacation. There are about 1500 accounts with backflow devices attached to them and will receive letters with the opportunity to sign up for the discounted backflow testing and inspection program. Superintendent Knapp also pointed out the updated graphs with operations data shown. Average water use was high in November, which was one of the driest Novembers on record.

- **Plant Operations Report:**

Plant Superintendent David Mendenhall highlighted the intense rain and reviewed the performance of the water treatment plant during the beginning of the seasonal rains. He pointed out several items in his Board report including the stability of the treatment plant, the operations goal to increase the wasting, training the new operations staff, and the maintenance projects (see photos). After visiting the Gresham treatment plant, he was hopeful about their new sludge dewatering abilities using the Orege process and will monitor this option for the future. He thanked the Board for getting to go to the PNCWA Conference in Boise. The sound reducing box at Pump Station #2 is working well, but the Department of Environmental Quality (DEQ) received a call about odors in the area which the resident believed was methane gas. Superintendent Mendenhall clarified that although hydrogen sulfide is vented there, methane gas is not being pumped/released into the surrounding area.

- **Technical Services Report:**

District Engineer Jason Rice shared pump station #2 might be rehabilitated by being housed in a structure in the next few years as part of a capital improvement project. He thanked the two Board members for participating in the building consolidation sub-committee. The sub-committee has been working hard on developing alternatives to present to the Board. They will be working with an architect that has access to a general contractor and a space planner for a contract under \$50,000.00 which will be signed by G.M. Chaplen. The lead architect lives in the District and will hopefully contribute a certain level of ownership to the project. The visit to Lake Oswego's municipal facility went well and showed the team more about what is desired for the facilities. The one important aspect of developing alternatives will be space planning conversations to determine staff needs for both present staff and future growth, for example the space required for the permit development specialist position. The Board asked if the water building remodel was still an option and staff responded it is. The previous architect worked to fit the original goals but was not the best person to move ahead with the space planning alternatives. Jason highlighted the remodel and reopening of the John Inskeep Environmental Learning Center (ELC) at Clackamas Community College and pointed out it should be considered a resource for the Board to share with the community. OLWS staff Lara Christensen offered to arrange a tour for anyone interested in seeing the updated stormwater facilities on the ELC site. The timing of the Boardman Wetland Project will likely affect its timeline and the contractors are working hard to button up the sewer bypass system. Northwest Natural Gas had to come in to fix a deep pipe that was damaged but was not clearly identified by NW Natural. The planting plan was adjusted to compensate for the elevation change created by the removal of the dense reed canary grass and

rhizomes. A large volume of fill was brought back in to refill the permitted amount of 150 cubic yards to be removed. He pointed out project photos in his report. The Board commented on the importance of shade in keeping grass from encroaching.

#### **10. Call for Public Comment**

There were no comments from the public.

#### **11. Business from the Board**

Treasurer Fisher attended the Clackamas River Water Board meeting. Two-thirds of the meeting was the presentation of the big CIP project updates. They are making progress on building several large reservoirs and other big projects. One item of interest is that they budget biannually and asked whether OLWS should consider budgeting every two years. It will be more efficient when we are ready. OLWS staff mentioned this could be a goal in the future, once some history has been created. He also attended the Oak Grove Community Council meeting and heard from the Clackamas County Arts Alliance as well as a presentation from Neil Schulman, E.D. of NCUWC and several land use applications. Thelma asked whether CRW was looking at changing out their meters like OLWS but the information was not available although they requested our program development process. She highlighted the importance of efficient data collection through appropriate technology.

Vice President Keil was out of town for the Chamber of Commerce meeting.

President Gibson was out of town for the C4 meeting.

Director Paul Gornick attended the October 24<sup>th</sup> Board meeting of the Sunrise Water Authority. Two applicants interviewed for the remaining Board position and Andy Code was sworn in as the new Board member. His background is in construction and water installations and he is currently employed in the field. The following was on the consent agenda the Board adopted a resolution to annex a 9 acre parcel at 172<sup>nd</sup> Avenue, they approved the financial statements, and they authorized the policy for repayment and collections of over- and under- charged customers, they approved the final content and deployment for their electronic customer satisfaction survey, with an incentive of a 3-day American Red Cross Emergency Preparedness kits. There was an executive session, to review a real estate transaction. He also submitted a memo requesting an update from staff within 90 days on several items related to disaster preparedness. The Board and staff were supportive of the request.

Director Williams reported that at the Jennings Lodge CPO meeting NCPRD staff member Katheryn Kreiger facilitated a discussion about helping the parks department acquire land within the Jennings Lodge neighborhood. The neighborhood members present expressed strong disappointment about the lack of parks land and shared their resentment with NCPRD. Next, the dot exercise conducted earlier about shared community concerns was clarified. Director Williams presented information about the upcoming public involvement process for the surface water master plan development and encouraged people to come to the meetings and tell OLWS the type of service level they would like for surface water management and how they want to pay for the service.

of surface water development and share their input for the process. After his presentation he reported one attendee who was not supportive of the OLWS work done in surface water until now. Then there was a conversation about increasing community involvement in MAPIT and the CPO efforts to plan the future of McLoughlin Avenue. The meeting schedule may be modified in order to avoid burning out community supporters.

There was no further Board business.

**12. Closed Regular Meeting**

President Gibson ended the regular meeting at 8:19 p.m. to move into executive session.

**13. Recess to Executive Session**

President Gibson recessed the Board to Executive Session at 8:21 p.m. under ORS 192.660 2(h) for consultation with counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed.

The District's Attorney provided the Board with an update on the litigation filed by a developer. Board members asked questions and had a discussion about the specific claims in the litigation and potential resolution.

**14. Adjourn Executive Session Meeting**

President Gibson adjourned the executive session at 8:41 p.m.

**15. Reopened Regular Meeting**

President Gibson restarted the executive session at 8:42 p.m. and called for any business from the Board during Executive Session. There was no business from the Board.

**16. Adjourn Regular Board Meeting**

President Nancy Gibson adjourned the regular Board meeting at 8:43 p.m.

Respectfully submitted,

\_\_\_\_\_  
Nancy Gibson  
President, Board of Directors

Date: \_\_\_\_\_

\_\_\_\_\_  
Susan Keil  
Secretary, Board of Directors

Date: \_\_\_\_\_

**OAK LODGE**  
WATER SERVICES  
**STAFF REPORT**

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**To:** Board of Directors  
**From:** Kelly Stacey, Finance Director  
**Agenda Item:** Appointment of Budget Officer 2019/2020  
**Item No.:** 5  
**Date:** December 18, 2018

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**Action Requested**

During last year's budget process, the Board approved Resolution 17-16 Designating the Finance Director as the Budget Officer. Staff requests that the Board reaffirm the appointment of the Budget Officer for the FY 2019/2020 Oak Lodge Water Services District (OLWS) Budget.

**Background**

Oregon Local Budget Law ORS 294.35 to 294.565 requires each local government to have a budget officer. OLWS's Budget Officer must present a balanced budget to the budget committee. The budget office is responsible for publishing all notices required by Local Budget Law and is also responsible for monitoring budget expenditures during the year and notifying the governing body of the need to make any budget changes required after adoption.

**Suggested Board Motion**

*"I move that the Board appoint the Finance Director as the Oak Lodge Water Services Budget Officer for fiscal year 2019/2020"*

**OAK LODGE**  
WATER SERVICES  
**STAFF REPORT**

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**To:** Board of Directors  
**From:** Kelly Stacey, Finance Director  
**Agenda Item:** Appointment of Budget Committee Members 2019/2020  
**Item No.:** 6  
**Date:** December 18, 2018

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**Action Requested**

Staff request that the Board appoint the Budget Committee members for the 2019/2020 Oak Lodge Water Services District (“District”) Budget Committee.

**Background**

Oregon Local Budget Law ORS 294.35 to 294.565 requires the budget officer to appoint The District’s Budget Committee. To avoid the entire Budget Committee turning over at the same time, last year each position was assigned a term. The District’s Budget Committee consists of the five members of the District Board and five electors of the District. Tonight the board will reappoint the continuing members for the FY 2020 budget and appoint the new members to have a fully seated Budget Committee.

Willing Budget Committee members with expiring terms can be reappointed by the Board due to there being no term limits upon their service to the District.

The District has been fortunate in managing to attract more electors willing to serve than is actually required to constitute an official Budget Committee. Consequently, there is also an alternate member willing to attend Budget Committee meetings and in reserve to be appointed as a Budget Committee member should an unexpected absence of a sitting Budget Committee member need to be filled at any time during the budget development process.

Earlier tonight the Board reviewed the new applicants for the Budget Committee and the Finance Director is now recommending the following slate of individuals to serve the following terms:

- Position No. 1. John W. Klum, Chair, June 30, 2020
- Position No 2. \_\_\_\_\_, Secretary, June 30, 2022
- Position No 3. Dave Phelps, June 30, 2021
- Position No 4. \_\_\_\_\_, June 30, 2021
- Position No 5. \_\_\_\_\_, June 30, 2020

The Finance Director is further recommending that Terry Gibson be allowed to participate as an alternate to be available for appointment to the Budget Committee if the need arises.

Finally, two members of the budget committee will be needed to serve on the North Clackamas County Water Commission (NCCWC) Budget Committee. Although they will be officially appointed at a NCCWC meeting, we are asking the OLWS budget committee to choose their representatives tonight.

**Suggested Board Motion**

*“I move that the Board appoint the following people to the Oak Lodge Water Services Budget Committee with the expiration dates outlined above:*

*Position No. 1. John W. Klum, Chair June 30, 2020*

*Position No 2. \_\_\_\_\_, Secretary June 30, 2022*

*Position No 3. Dave Phelps, June 30, 2021*

*Position No 4. \_\_\_\_\_ June 30, 2021*

*Position No 5. \_\_\_\_\_ June 30, 2020*

*Alternate Member: Terry Gibson”*



**OAK LODGE**  
WATER SERVICES  
**STAFF REPORT**

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**To:** Board of Directors  
**From:** Kelly Stacey, Finance Director  
**Agenda Item:** Budget Calendar 2019/2020  
**Item No.:** 7  
**Date:** December 18, 2018

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**Action Requested**

Approval of the budget calendar for the preparation of the fiscal year 2019/2020 budget.

**Background**

Oregon Budget Law suggests the approval of a budget schedule to allow for public notice and participation. The proposed budget schedule allows opportunity for public participation. It also provides adequate time for budget committee meetings. It is recommended that the Board approve the proposed calendar for the FY 2019/2020 budget.

**Suggested Board Motion**

*"I move to approve the proposed budget calendar for the fiscal year 2019/2020 budget."*

**Attachments**

1. OLWS Budget Calendar 2019-2020



## 2019-2020 BUDGET CALENDAR

- December 18, 2018 - Budget Committee Member Appointments  
(Regular Board Meeting) - Appoint Budget Officer  
- Approve Budget Calendar
- January 10, 2019 - Pre-Budget meeting/Orientation
- Wednesday, April 11, 2018 - Publish notice of Budget Committee Meeting (5-30 days prior)  
- Publish in the Clackamas Review  
- Post on website
- Thursday, April 18, 2019 - Budget Committee Meeting - Introduction and overview  
- Proposed Budget given to Budget Committee
- Tuesday, April 23, 2019 - Budget Committee Meeting-Public comment taken
- Tuesday, April 30, 2019 - Budget Committee Meeting
- Thursday, May 2, 2019 - Budget Committee Meeting (if necessary)
- June 5, 2019 - Publish Notice and Summary of Budget Adoption Hearing
- Tuesday, June 18, 2019 - Budget Adoption

\*\*All meetings held in the Oak Lodge Water Services Boardroom beginning @ 6:00 unless otherwise stated

**OAK LODGE**  
WATER SERVICES  
**STAFF REPORT**

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**To:** Board of Directors  
**From:** Kelly Stacey, Finance Director  
**Agenda Item:** Budget Amendment 2018-2019  
**Item No.:** 8  
**Date:** December 18, 2018

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**Action Requested**

Approval of the budget amendment presented in Resolution 18-16

**Issue**

The amount originally requested for Materials and Services in the Drinking Water fund is not enough to meet the needs of the District. Much of the overage is due to extraordinary costs related to water main breaks including a break on McLoughlin in a moratorium area.

Another area of need is in Materials and Services in the Wastewater Reclamation fund. This is due to unanticipated costs related various system maintenance that was not accounted for in the original budget and to high cost lateral repairs.

It is also necessary to move money from contingency in the three Capital funds due to the Accela implementation project that was predicted to finish in FY18 but carried over to FY19.

**Background**

The amount approved by The Budget Committee and adopted by the Board for the FY19 Budget will remain the same; however, to stay within Oregon Budget Law (ORS 294.473) a Resolution is needed to transfer between appropriation categories (ORS294.463(1)). The attached Resolution will transfer money from the various contingencies to the areas of need.

**Action from the Board**

Suggested Motion

*"I move to adopt Resolution 18-16 approving the transfer of contingency to materials and services in both the Drinking Water Fund and the Wastewater Reclamation Fund and the three capital funds as presented."*

## **Attachments**

1. Resolution 2018-16

BEFORE THE BOARD OF DIRECTORS  
OF  
OAK LODGE WATER SERVICES DISTRICT

In the Matter of Amending the 2018/2019 Budget

RESOLUTION NO. 18-16

THIS MATTER came before the Board of Directors of the Oak Lodge Water Services District, a sanitary and water district organized under Oregon Revised Statutes (ORS) Chapter 450 and Chapter 264,

WHEREAS, Oak Lodge Water District Board of Directors adopted the 2018/2018 budget appropriations, and

WHEREAS, The Materials and Service Category in the Drinking Water Fund and the Wastewater Reclamation Plant are under appropriated by an estimated \$50,000 in the Drinking Water Fund and \$40,000 in the Wastewater Reclamation Fund, and

WHEREAS, The Capital Funds for Drinking Water, Wastewater and Watershed Protection are under appropriated by an estimated \$52,500, and

WHEREAS, The Contingency Category in each fund is has available to transfer to Materials and Services and Capital; now therefore.

*Be it Resolved,* The 2018/2019 budget be amended as follows:

	<u>Current Budget</u>	<u>Change</u>	<u>Amended Budget</u>
<u>Drinking Water</u>			
Materials & Services	1,984,200	50,000	2,034,200
Contingency	588,270	(50,000)	538,270
Totals	2,572,470	-	2,572,470
<u>Wastewater-Collection</u>			
Materials & Services	1,837,500	40,000	1,877,500
Contingency	752,368	(40,000)	712,368
Totals	2,589,868	-	2,589,868

	<u>Current Budget</u>	<u>Change</u>	<u>Amended Budget</u>
<u>Drinking Water Capital</u>			
Capital Outlay	1,704,000	17,500	1,721,500
Contingency	500,000	(17,500)	482,500
Totals	2,204,000	-	2,204,000
<u>Wastewater Capital</u>			
Capital Outlay	3,321,000	26,800	3,347,800
Contingency	500,000	(26,800)	473,200
Totals	3,821,000	-	3,821,000
<u>Watershed Protection Capital</u>			
Capital Outlay	2,001,000	8,200	2,009,200
Contingency	500,000	(8,200)	491,800
Totals	2,501,000	-	2,501,000

*Be it further Resolved,* That the Board of Directors of the Oak Lodge Water Services District approves the amended budget as presented above.

ADOPTED this 18<sup>th</sup> day of December 2018

OAK LODGE WATER SERVICES DISTRICT

By: \_\_\_\_\_  
Nancy Gibson, Board President

By: \_\_\_\_\_  
Susan Keil, Secretary



## STAFF REPORT

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**To:** Board of Directors  
**From:** Kelly Stacey, Finance Director  
**Agenda Item:** Finance Policies Workshop  
**Item No.:** 9  
**Date:** December 18, 2018

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### **Background**

Financial policies are central to a strategic, long-term approach to financial management. Some of the most powerful arguments in favor of adopting formal, written financial policies include their ability to help governments:

1. Institutionalize good financial management practices. Formal policies usually outlive their creators, and, thus, promote stability and continuity. They also prevent the need to re-invent responses to recurring issues.
2. Clarify and crystallize strategic intent for financial management. Financial policies define a shared understanding of how the organization will develop its financial practices and manage its resources to provide the best value to the community.
3. Define boundaries. Financial policies define limits on the actions staff may take. The policy framework provides the boundaries within which staff can innovate in order to realize the organization's strategic intent.
4. Support good bond ratings and thereby reduce the cost of borrowing.
5. Promote long-term and strategic thinking. The strategic intent articulated by many financial policies necessarily demands a long-term perspective from the organization.
6. Manage risks to financial condition. A key component of governance accountability is not to incur excessive risk in the pursuit of public goals. Financial policies identify important risks to financial condition.
7. Comply with established public management best practices. The Government Finance Officers Association (GFOA), through its officially adopted Best Practices endorsement of National Advisory Council on State and Local Budgeting (NACSLB) budget practices and the GFOA Distinguished Budget Presentation Award Program, has recognized financial policies as an essential part of public financial management.

### **Overview**

This is the second set of financial policies for the Board to discuss. After the Board's initial review, the policies will be presented to the Union for review.

Since some of the policies could be viewed as a change to the terms and conditions of employment for team members represented by AFSCME, we are required to give the Union a minimum of 14 days to review the policies and decide whether to demand to bargain with the District over the changes the policies could implement. Once the Union has reviewed the policies, they will be brought back to the Board for final approval.

**Recommendation**

No action is required. This month will be for discussion. The policies attached will be finalized and brought back to a future Board meeting for approval.

**Attachments:**

1. Personally Identifiable Information (PII) Policy
2. Payment Card Industry (PCI) Policy
3. Travel Reimbursement Policy
4. Expenditure Policy
5. Employee Credit Card Usage Policy



# Oak Lodge Water Services District



## Personally Identifiable Information (PII) Policy

Adopted xxxxxxxx

**This document supersedes any and all previous PII policies.**

## I. Purpose

It is the policy of Oak Lodge Water Services District to protect personally identifiable information (PII) of employees and customers and prevent access and use of PII by unauthorized persons. The electronic restrictions and safeguards outlined in this policy provide guidance for employees, representatives, and contractors that have access to PII used or retained by the District to ensure compliance with state and federal regulations.

This policy affects all District employees, public officials, representatives, and contractors.

## II. Definition

### A. Personally Identifiable Information (PII):

Any information pertaining to an individual that can be used to distinguish or trace a person's identity either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. Some information that is considered PII is available in public sources such as telephone books, public websites, university listings, etc. This type of information is considered to be Public PII and includes:

1. First and Last name
2. Address
3. Work telephone number
4. E-mail address
5. Home telephone number
6. General educational credentials
7. Certain photos and video

In contrast, Protected PII is defined as any one or more of types of information including, but not limited to:

1. Social security number
2. Usernames and passwords
3. Passport number
4. Credit card numbers
5. Clearances
6. Banking information
7. Marital status
8. Spouse names
9. Educational history
10. Biometric identifiers (fingerprints, voiceprints, iris scans, etc.)
11. Computer passwords
12. Date and place of birth
13. Mothers maiden name
14. Criminal, medical, and financial records
15. Photos and video containing any of the above

If a question arises about what is or is not PII please contact the Human Resources Manager or the General Manager.

### **III. Policy Statements**

All employees, representatives, and contractors will take the steps necessary to:

- A. Ensure the privacy of all PII obtained from customers and/or other individuals and to protect such information from unauthorized disclosure.
- B. Ensure that PII has been obtained and is used, retained, and destroyed in conformity with applicable federal and state laws governing the confidentiality of information, including but not limited to ORS Chapters 192, 646, and 646A.
- C. Acknowledge that all PII data obtained through program activity shall be stored in an area that is physically safe from access by unauthorized persons at all times and managed with appropriate information technology (IT) services and designated locations.
- D. Accessing, processing and storing of PII data on personally-owned equipment at off-site locations (e.g. employee's home, and non-grantee managed IT services such as Yahoo mail) is strictly prohibited.
- E. Be advised of the confidential nature of the information, the safeguards required to protect the information, and that there are civil and criminal sanctions for noncompliance with such safeguards within federal and state laws.
- F. Restrict access to any PII through program activity to only those employees, representatives, and contractors who need it in their official capacity to perform applicable duties.
- G. Process all PII data in a manner that will protect the confidentiality of the records/documents and is designed to prevent unauthorized persons from retrieving such records by computer, remote terminal, or any other means.
- H. Ensure that PII is not transmitted to unauthorized users, all PII and other sensitive data and or Protected PII transmitted via email or stored on CDs, DVDs, thumb drives, etc., must be encrypted. PII stored electronically to only be printed when necessary and then documents to be shredded after use.
- I. Retain all PII data to satisfy all required record retention requirements per District Record Retention Policy. Thereafter, all PII data must be destroyed, including the degaussing of magnetic tape files and deletion of electronic data.

### **IV. Incident Reporting**

The Finance Director and General Manager must be informed of a real or suspected disclosure of Protected PII data within 12 hours after discovery (e.g.: misplacing a paper report, loss of a laptop, mobile device, or removable media containing PII, accidental email of PII, possible virus, or malware infection or a computer containing PII).

### **V. Enforcement**

An employee found to be in violation of this policy may be subject to disciplinary action as deemed appropriate based on the facts and circumstances giving rise to the violation, including possible suspension or termination of employment, suspension or termination of access to Protected PII, civil penalties, and/or criminal charges.

# Oak Lodge Water Services District



## Payment Card Industry (PCI) Policy

Adopted xxxxxxxx

**This document supersedes any and all previous PCI policies.**

## I. Purpose

This policy explains the District's payment card security requirements as required by the Payment Card Industry Data Security Standard (PCI DSS). The ability to provide payment card options to customers is critical to the District's business goals. The District is committed to protecting customer payment card information as required by the standard.

## II. Scope

The PCI DSS 3.0 requirements apply to all systems that store, process, or transmit cardholder data. Currently, the District's cardholder environment consists only of merchant terminals (payment devices) and the online payment portal (portal). The environment does not include storage of cardholder data on any computer system.

Due to the limited nature of the in-scope environment, this policy is intended to meet the PCI DSS requirements as defined in the Self-Assessment Questionnaire (SAQ) B, version 3.0, released February, 2014. Should the District implement additional acceptance channels, begin storing, processing, or transmitting cardholder data in electronic format, or otherwise become ineligible to validate compliance under SAQ B, the Finance Director will determine the appropriate compliance criteria and implement additional policies and controls as needed.

## III. Policy

- A. Unless otherwise specified, the Finance Director shall create, implement and maintain procedures to enact the requirements of this policy.
- B. Protect Stored Cardholder Data
  - i. Prohibited Data
    - A. Processes must be in place to securely delete authentication data post authorization so that the data is unrecoverable. (PCI Requirement 3.2)
      - a. Authentication data consists of:
        - i. Primary Account Number (PAN)
        - ii. Payment card expiration date
        - iii. Payment card security code
        - iv. Payment card PIN
      - B. The payment environment must adhere to the following requirements regarding non-storage of authentication data after authorization (even if encrypted):
        - a. The full contents of any track data from the magnetic strip (located on the back of a card, equivalent data contained on a chip or elsewhere) are not stored under any circumstance. (PCI Requirement 3.2.1)
        - b. The card security code or value (three-digit or four-digit number printed on the front or back of a payment card) is not stored under any circumstance. (PCI Requirement 3.2.2)

- c. The personal identification number (PIN) or the encrypted PIN block are not stored under any circumstance. (PCI Requirement 3.2.3)
- ii. Displaying PAN
  - A. The display of PANs will be masked, and viewing of PANs will be limited to only those employees and other parties with a legitimate need.
  - B. A properly masked number will show no more than the first six and the last four digits of the PAN. (PCI requirement 3.3)
    - a. The masking occurs:
      - i. On the payment device
      - ii. On the customer's receipt
      - iii. On the payment portal
- C. Encrypt Transmission of Cardholder Data Across Open, Public Networks
  - i. Transmission of Cardholder Data
    - A. Sending unencrypted PANs by end-user messaging technologies is prohibited. Examples of end-user technologies include email, instant messaging and chat. (PCI requirement 4.2)
  - D. Payment Environment Use and Prohibitions
    - i. Payment Device Limited Use
      - A. The District shall accept authentication information in limited circumstances:
        - a. Card present: A District employee shall present the credit card to the payment device for processing.
        - b. Card not present: A customer may read the authentication information over the phone to a District employee only for the purposes of keyed entry into a payment device.
      - B. No authentication information will be written down or recorded in any form.
    - ii. Payment Portal Prohibited Use
      - A. It is prohibited to enter customer authentication information using the payment portal.
      - B. All other use is strictly prohibited. Under no circumstances shall an employee transmit authentication information over the District's computer systems or network.
  - E. Restrict Access to Cardholder Data by Business Need to Know
    - i. Limit Access to Cardholder Data
      - A. Access to the District's payment environment components and data is limited to only those individuals whose jobs require such access. (PCI Requirement 7.1)
    - ii. Access limitations must include the following:

- A. Access rights for privileged user IDs must be restricted to the least privileges necessary to perform job responsibilities. (PCI Requirement 7.1.2)
- B. Privileges must be assigned to individuals based on job classification and function (also called "role-based access control"). (PCI Requirement 7.1.3)

F. Restrict Physical Access to Cardholder Data

i. Physically Secure all Media Containing Cardholder Data

- A. Hard copy materials containing confidential or sensitive information (e.g., paper receipts, paper reports, faxes, etc.) are subject to the following storage guidelines:
  - a. All media must be physically secured. (PCI requirement 9.5)
  - b. Strict control must be maintained over the internal or external distribution of any kind of media containing cardholder data. These controls shall include: (PCI Requirement 9.6)
    - i. Media must be classified so the sensitivity of the data can be determined. (PCI Requirement 9.6.1)
    - ii. Media must be sent by a secure carrier or other delivery method that can be accurately tracked. (PCI Requirement 9.6.2)
    - iii. Management approval must be obtained prior to moving the media from the secured area. (PCI Requirement 9.6.3)

ii. Destruction of Data

- A. All media containing cardholder data must be destroyed when no longer needed for business or legal reasons. (PCI requirement 9.8)
- B. Hardcopy media must be destroyed by shredding, incineration or pulping so that cardholder data cannot be reconstructed. (PCI requirement 9.8.1.a)
- C. Containers storing information waiting to be destroyed must be secured (locked) to prevent access to the contents by unauthorized employees. (PCI requirement 9.8.1.b)

iii. Protection of Payment Devices

- A. All payment devices must be protected. This protection must include preventing the devices from tampering, substitution or loss. (PCI requirement 9.9)
  - a. Outside of work hours and when the general public is present, all payment devices must be secured in a locked area.

- B. An up-to-date inventory of devices must be maintained. Employees shall be instructed to maintain the integrity and currency of the inventory. The list should include the following: (PCI requirement 9.9.1)
  - a. Make and model of all payment devices.
  - b. Location of each device (for example, the address of the site or facility where the device is located).
  - c. Device serial number or other method of unique identification.
- iv. All payment devices must be periodically inspected for tampering, fraudulent replacement or loss. (PCI requirement 9.9.2)
- v. Employees and contractors who interact with the payment devices must be provided with training that enables them to be aware of attempted tampering or replacement of devices. Training should include the following: (PCI requirement 9.9.3)
  - A. Employees must verify the identity of any third-party persons claiming to be repair or maintenance personnel prior to granting them access to modify or troubleshoot devices.
  - B. Employees must be instructed not to install, replace, or return devices without verification from management. The inventory list (required previously) must be updated by the employee when device locations are changed or new devices are added.
  - C. Employees need to be aware of suspicious behavior around devices (for example, attempts by unknown or unauthorized persons to unplug or open devices) and to report that behavior.
- G. Maintaining the Policy
  - i. This policy must be reviewed at least annually, and must be updated as needed to reflect changes to business objectives or the risk environment. (PCI requirement 12.1.1)
- H. Security Awareness and Incident Response Planning
  - i. The Finance Director shall establish and maintain an Incident Response Plan. (PCI requirement 12.10.1)
  - ii. The Finance director shall establish, document, and distribute security incident response and escalation procedures to ensure timely and effective handling of situations. (PCI requirement 12.5.3)
  - iii. The Finance Director shall establish and maintain a formal security awareness program to educate employees of the importance of cardholder data security. (PCI Requirement 12.6)
    - A. Employees must be aware of their responsibilities in detecting security incidents.



- B. Employees must be prepared to respond appropriately in the event of a security incident.
- C. Employees must acknowledge annually that they have read and understood this security policy and procedures. (PCI requirement 12.6.2)
- iv. The Information Technology Manager (ITM) shall establish and maintain a Cybersecurity Awareness and Acceptable Use policy for critical technologies. (PCI requirement 12.3)
- I. Service Providers
  - i. Procedures to manage service providers shall be implemented and maintained. (PCI requirement 12.8)
    - A. Maintain an inventory of service providers. (PCI Requirement 12.8.1)
    - B. Maintain information about which PCI DSS requirements are by each service provider, and which are managed by the District. (PCI Requirement 12.8.5)
    - C. Maintain a written agreement that includes an acknowledgement that the service providers are responsible for the security of the cardholder data that the service provider possess. (PCI Requirement 12.8.2)
    - D. Implement a process to perform proper due diligence prior to engaging a service provider (PCI Requirement 12.8.3)
    - E. Monitor service providers' PCI DSS compliance status (PCI Requirement 12.8.4)
- J. Enforcement
  - i. Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.
- K. Interpretation
  - i. Any questions regarding the intent or application of this policy should be directed to the Finance Director.

# Oak Lodge Water Services District



## Travel Reimbursement Policy

Adopted xxxxxxxx

**This document supersedes any and all previous travel reimbursement policies.**

**I. Purpose**

The purpose of this policy is to provide guidance for the reimbursement of staff and Board members for reasonable and necessary expenses incurred in connection with approved travel on behalf of the District.

**II. Scope**

This policy is applicable to all District staff and members of the District Board of Directors.

**III. Governing Authority**

All guidelines within the scope of this policy are subject to laws established by the State of Oregon. Any revisions or additions of relevant sections of the Oregon Revised Statutes, Oregon Administrative Rules, Attorney General regulations, or Oregon Government Ethics Commission regulations, which create mandatory obligations on the District, shall be assumed part of this policy immediately upon effect.

**IV. Policy**

1. Authorization and responsibility

- a. The Board of Directors, or the General Manager and/ or their designee must authorize staff travel.
- b. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements.
- c. Within 30 days of completion of a trip, the traveler must submit a Travel Reimbursement form and supporting documentation to obtain reimbursement of expenses to the Finance Director. Failure to follow this procedure could result in denial of future travel requests.
- d. Travel and reimbursement requests for the General Manager must be preapproved by any member of the Board.
- e. Travel and reimbursement requests for staff must be preapproved by their manager or the General Manager
- f. Travel and reimbursement requests for Board members must be preapproved by the Board.
- g. Designated approval authorities are required to review expenditures and withhold reimbursement if there is reason to believe that the expenditures are inappropriate or extravagant.
- h. Special requirements not addressed in this policy need to be approved by the General Manager or their designee.

2. Personal funds

Travelers should review reimbursement guidelines before spending personal funds for business travel to determine if such expenses are reimbursable. OLWSD reserves the right to deny reimbursement of travel-related expenses for failure to comply with policies and

procedures. Travelers who use personal funds to facilitate travel arrangements will not be reimbursed until after the trip occurs and proper documentation is submitted, unless pre-approved by the General Manager

### 3. Expenses

#### a. General Information

- Authorized business travel for staff that includes prepayments must be pre-approved.
- Reimbursement requests for expenses are to be submitted on a Travel Reimbursement form (See Appendix A).

#### b. Permissible prepaid travel expenses

Before the travel, the District may issue prepayments for airfare, rail transportation, rental vehicles, conference registration fees, lodging, and cash advances. Applicable policies and methods for these prepayments follow.

##### • Airfare

1. Travelers are expected to obtain the lowest available airfare that reasonably meets business travel needs. Airfare may be prepaid by the business office.
2. Travelers are encouraged to book flights at least 30 days in advance to avoid premium airfare pricing. First-class tickets are not reimbursable.
3. Airfare may be purchased with a District credit card or check through the business office with a Request for Payment form.

##### • Rail Transportation

1. The District will prepay rail transportation provided that the cost does not exceed the cost of the least expensive airfare, unless it is the only means of travel to the destination. If the cost of rail transportation is higher and traveler chooses to travel by rail, they must purchase their own ticket and will only be reimbursed the amount of the least expensive airfare.

##### • Rental Vehicles

1. The District will pay for approved use of a rental vehicle. See the section on reimbursements below.

##### • Lodging

1. The cost of overnight lodging (room rate and tax only) will be reimbursed to the traveler if the authorized travel is 45 miles or

more from the greater of mileage from the traveler's home or primary worksite.

2. Exceptions to this restriction may be approved in writing by the General Manager or by the Finance Director.
  3. The District will reimburse lodging expenses at reasonable, single occupancy or standard business room rates. When the hotel or motel is the conference or convention site, reimbursement will be limited to the conference rate.
  4. Only single room rates are authorized for payment or reimbursement unless the second party is representing the agency in an authorized capacity. If the lodging receipt shows more than a single occupancy, the single room rate must be noted. If reimbursement for more than the single room rate is requested, the name of the second person must be included.
- Conference registration fees
    1. Conference registration fees can be prepaid with a District credit card or check through the business office with a Request for Payment form.
    2. Business-related banquets or meals that are considered part of the conference can be paid with the registration fees; however, such meals must be deducted from the traveler's per diem allowance. See Meals (per diem) for more detail.
  - Travel advances.
    1. Cash advances are authorized for specific situations that might cause undue financial hardship for business travelers. These situations are limited to staff and board members traveling on behalf of the District. A maximum of 80 percent of the total estimated reimbursable cost can be advanced.
    2. Expenses associated with the travel must be reconciled and substantiated within two weeks of the return date. The traveler must repay the District for any advances in excess of the approved reimbursable expenses. The division initiating the travel is responsible for notifying the business office to deposit any excess funds into the appropriate division account.
    3. Travel advances are processed by submitting a completed Request for Payment form and Travel Request form to the business office. Reimbursement for any remaining expenses is

processed on a Travel Reimbursement form approved by the designated approval authority.

#### 4. Reimbursements

Requests for reimbursements of travel-related expenses are submitted on a Travel Reimbursement form. This form must be accompanied by supporting documentation. If the requested reimbursement exceeds 20 percent of the total pre-trip estimate, the Travel Reimbursement form must be signed by the Finance Director or the General Manager.

These forms must be submitted to the business office within 30 days after the trip is completed. Travel Reimbursement forms not submitted within this time frame require exception approval from the General Manager or from the Finance Director.

Reimbursement of travel expenses is based on documentation of reasonable and actual expenses supported by the original, itemized receipts where required. Reimbursements that may be paid by the District are shown below.

##### A. Airfare

- If the airfare was not prepaid by the business office, an original itemized airline receipt, an e-ticket receipt/statement or an Internet receipt/statement is required. The receipt must show the method of payment and indicate that payment was made.
- Travelers are expected to obtain the lowest available airfare that reasonably meets business travel needs. Travelers are encouraged to book flights at least 30 days in advance to avoid premium pricing.
- First-class tickets and unapproved upgrades are not reimbursable.

##### B. Rail transportation

- The District will pay for rail transportation provided that the cost does not exceed the cost of the least expensive airfare, unless it is the only means of travel to the destination. If the cost of rail transportation is higher and traveler chooses to travel by rail, they will only be reimbursed the amount of the least expensive airfare.

- If rail transportation was not prepaid by the business office, an original itemized receipt, original e-ticket receipt/statement or Internet receipt/statement is required. The receipt must show the method of payment and indicate that payment was made.

C. Automobile (personally owned—domestic travel)

- A valid driver's license issued within the United States and personal automobile insurance are required for expenses to be reimbursed. Drivers should be aware of the extent of coverage (if any) provided by his or her automobile insurance company for travel that is business or not personal in nature.
- Reimbursement for use of a personal automobile is based on the IRS mileage rate for the year the travel is incurred.
- In the event the traveler chooses to drive when it is timelier and less expense to fly, the District will reimburse the traveler for mileage up to the cost of the lease expensive airfare. Accommodations needed while driving to the destination city will not be reimbursed.

D. Automobile (rental—domestic travel).

- Reimbursement for a commercial rental vehicle as a primary mode of transportation is authorized only if the rental vehicle is more economical than any other type of transportation, or if the destination is not otherwise accessible. Original receipts are required.
- The District authorizes reimbursement for the most economic vehicle available. In certain circumstances larger vehicles may be rented, with supervisory approval. The rental agreement must clearly show the date and the points of departure/arrival, as well as the total cost. Drivers must adhere to the rental requirements, and restrictions must be followed. Original receipts are required.
- When vehicle rentals are necessary, the District encourages travelers to purchase collision damage waiver (CDW) and loss damage waiver (LDW) coverage. The District will reimburse the cost of CDW and LDW coverage; all other insurance reimbursements will be denied.
- Drivers should be aware of the extent of a coverage (if any) provided by his or her automobile insurance company for travel that is business or not personal in nature.
- Parking fees, tolls and other incidental costs associated with the vehicle use are not covered by the rental agreement. Such fees are reimbursable by the District.

- Travelers are strongly encouraged to fill the gas tank before returning the vehicle to the rental agency to avoid service fees and more expensive fuel rates.

E. Lodging (commercial).

- The cost of overnight lodging (room rate and tax only) will be reimbursed to the traveler if the authorized travel is 45 miles or more from the traveler's home or primary worksite.
- Exceptions to this restriction may be approved in writing by the General Manager or by the Finance Director.
- The District will reimburse lodging expenses at reasonable, single occupancy or standard business room rates. When the hotel or motel is the conference or convention site, reimbursement will be limited to the conference rate.
- Only single room rates are authorized for payment or reimbursement unless the second party is representing the agency in an authorized capacity. If the lodging receipt shows more than a single occupancy, the single room rate must be noted. If reimbursement for more than the single room rate is requested, the name of the second person must be included.

F. Meals (per diem).

- Per diem allowances are reimbursable for in-state overnight travel that is 45 miles or more from the traveler's home or primary worksite.
- Per diem allowances are applicable for all out-of-state travel that is 45 miles or more from the traveler's home or primary worksite.
- The District per diem rates are based on the U.S. General Services Administration Guidelines, which vary by city location. In addition to meals these rates include incidental expenses such as laundry, dry cleaning and service tips (e.g., housekeeping or porter tips). Incidental expenses, unless specifically cited in this policy, will not be reimbursed.
- Per diem reimbursements are based on departure and return times over the entire 24-hour day and are prorated accordingly.
- If a free meal is served on the plane, included in a conference registration fee, built in to the standard, single hotel room rate or replaced by a legitimate business meal, the per diem allowance for that meal may not be claimed.
- Receipts are not required for per diem allowances.

G. Business meals



- Travelers are required to follow the District expenditure policies when requesting reimbursement for business meals. Original itemized receipts are required.
- H. Business expenses
  - Business expenses, including faxes, photocopies, Internet charges, data ports and business telephone calls incurred while on travel status, may be reimbursed. Original itemized receipts are required.
- I. Parking
  - Original receipts are required for parking fees (including airport parking) totaling \$10 or more. The lodging bill can be used as a receipt when charges are included as part of the overnight stay.
- J. Telephone calls
  - The costs of personal telephone calls are the responsibility of the individual.
- K. Tolls
  - Original receipts are required for tolls totaling \$10 or more.
- L. Miscellaneous transportation
  - Original receipts are required for taxi, bus, subway, metro, ferry and other modes of transportation such as Lyft or Uber if costs are \$10 or more for each occurrence.
- M. Visa, passport fees and immunizations
  - If these items are required for international travel, their reimbursement is left to the discretion of your supervisor. If approved by the designated authority, original itemized receipts are required.

#### 5. Nonreimbursable Travel Expenses

Including but not limited to the following items that may be associated with business travel will not be reimbursed by the District:

- Airline club memberships.
- Airline upgrades.
- Business class for domestic flights or first class for all flights.
- Child care, babysitting, house-sitting, or pet-sitting/kennel charges.
- Commuting between home and the primary work location.
- Costs incurred by traveler's failure to cancel travel or hotel reservations in a timely fashion.
- Evening or formal wear expenses.
- Haircuts and personal grooming.
- Laundry and dry cleaning.
- Passports, vaccinations and visas when not required as a specific and necessary condition of the travel assignment.

- Personal entertainment expenses, including in-flight movies, headsets, health club facilities, hotel pay-per-view movies, in-theater movies, social activities and related incidental costs.
- Travel accident insurance premiums or purchase of additional travel insurance.
- Other expenses not directly related to the business travel.

6. Travel for Non-Employees

- Additional costs for travel, lodging, meal or other travel expenses for spouses or other family members will not be reimbursed unless the individual has a bona fide company purpose for engaging in the travel or attending the event.

DRAFT

### Appendix A

14490 SE River Rd.  
Milwaukie, OR 97267  
654-7765 fax 653-1973

## EXPENSE STATEMENT

**Employee** \_\_\_\_\_  
Name \_\_\_\_\_ Position \_\_\_\_\_  
Purpose/Conference: \_\_\_\_\_

**Pay Period** \_\_\_\_\_  
From \_\_\_\_\_  
To \_\_\_\_\_

Date	GL Code	Description	Transport*	Fuel*	Mileage**	Parking*	Accom*	Other*	TOTAL

**Submitter's Signature and Date** \_\_\_\_\_

Reimbursement  
 Payment Needed

Sub Total	
Subtract Advances	
<b>TOTAL</b>	

2018 Mileage Reimbursement is \$.545  
\*Attach receipts                      \*\*Attach mileage log or mapquest  
Supervisor's Approval \_\_\_\_\_

# Oak Lodge Water Services District

The logo for Oak Lodge Water Services is contained within a blue rectangular box. It features the words "OAK LODGE" in a large, white, sans-serif font. A small, white oak leaf icon is positioned between the words "OAK" and "LODGE". Below "OAK LODGE" is a thin white horizontal line, and underneath that line, the words "WATER SERVICES" are written in a smaller, white, all-caps, sans-serif font.

OAK LODGE  
WATER SERVICES

## Expenditure Policy

Adopted xxxxxxxx

**This document supersedes any and all previous expenditures policies.**

**I. Purpose**

The purpose of this policy is to establish guidelines for Oak Lodge Water Services District to efficiently and effectively process expenditure transactions.

**II. Scope**

This policy is applicable to all expenditure transactions of the District.

**III. Objectives**

- A. To ensure a fundamental level of integrity, directness, and transparency in how the District spends public funds.
- B. To ensure District expenditures directly support services to customers and rate payers.

**IV. Policy Statements**

- b. All monies due by the District shall be paid in full within 30 days of the receipt of invoice. The District shall take advantage of vendor discounts to the extent practicable and available.
- C. All payments must be properly authorized and supported by appropriate documentation. Proper authorization may consist of an approved purchase order or direct approval on an original invoice or payment request. Appropriate documentation consists of an original invoice or payment request and proof of receipt of goods and services.
- D. All checks for staff and board members expenditures require two (2) signatures, one of which is the Finance Director or the General Manager. Authorized signatories may not sign expenditures payable to themselves. Payments other than by check require the approval of the Finance Director and/or the General Manager.
- E. All checks for General manager expenditures require two (2) signatures, one of which is the finance director and another authorized signatory
- F. Expenditure-related duties shall be assigned to District staff in such a manner that there is appropriate separation of duties. Specifically, the initiation, authorization, and processing expenditures shall be assigned to separate individuals.
- G. Access shall be restricted to District staff with direct responsibilities for expenditure-related functions, and only those functions as assigned.
  - 1. System access shall be assigned and maintained according to specific functional assignments and accessed by unique login and password, by employee.
  - 2. Access to blank check stock shall be restricted and under the control of the Finance Director. All check numbers in sequence shall be properly accounted for.
  - 3. Voided checks shall be appropriately cancelled (stamped or marked "void" and the signature lines removed) and retained until after completion of the annual audit.

# Oak Lodge Water Services District

The logo for Oak Lodge Water Services is displayed within a blue rectangular box. It features the words "OAK LODGE" in a large, white, sans-serif font, with a stylized white oak leaf icon positioned between the words. Below this, a thin white horizontal line separates the top text from the words "WATER SERVICES" in a smaller, white, all-caps, sans-serif font.

OAK LODGE  
WATER SERVICES

## Employee Credit Card Usage Policy

Adopted xxxxxxxx

**This document supersedes any and all previous employee credit card usage policies.**

**I. Purpose**

The purpose of this policy is to establish guidelines for Oak Lodge Water Services District to provide for the issuance of credit cards to officers and employees for the purpose of covering expenses incident to authorized travel and enable a cost-effective, convenient and streamlined method of purchasing items.

**II. Scope**

This policy applies to all employees and board members of the District who may have access to and usage of a District credit card as a representative of the District.

**III. Policy Statement**

Employees are authorized to use credit cards for official District purchases and acquisitions pursuant to policies and procedures adopted by the District.

**A. Guidelines**

The Finance Director shall design, implement, and monitor controls to ensure that there is proper accountability and compliance with this policy.

1. A credit card may be issued to an individual who meets the following conditions:

- a. The person is an employee of Oak Lodge Water Services District, and
- b. The approved employee agrees to be held personally liable to the credit card company for all charges not authorized to be made by the purchaser or not directly related to conducting official District business.
- c. Exceptions may be made by the Finance Director or General Manager. Individual credit cards may not be in the name of a contractor, contract employee, or non-permanent District employee.

2. Issuance of Credit Cards

- a. The District may establish a credit card in the name of a District employee with a financial institution provider for District business use only.
- b. The Finance Director shall establish procedures and forms for implementing and monitoring a credit card purchasing program through a financial institution provider that includes, but is not limited to, the following:
  - 1) A dollar limitation on the credit card;
  - 2) A dollar limitation of purchasing authority assigned to the cardholder per transaction made with the credit card;
  - 3) A dollar limitation of purchasing authority assigned to the cardholder for the total of all charges made during each monthly billing cycle; and
  - 4) Merchant category blocking.
- c. The District may, at any time, without notice and without cause, suspend or cancel any credit card issued to an employee.
- d. A credit card issued by the District to an employee remains the property of the District, or financial institution and is not the property of the employee.

3. Authorized Card Use

- a. Cardholders are authorized to use the card to purchase merchandise or services required as a function of their duties at the District. Unauthorized and/or inappropriate card use is addressed below.
  - b. A credit card purchase may be made in-store, by telephone, fax, Internet or U.S subject to District purchasing rules. mail. A purchase order may be required per established procedures.
  - c. If a credit card is issued for the purpose of covering expenses relating to authorized travel, upon billing or no later than thirty days of the billing date, the officer or employee using a credit card issued under this section shall submit a fully itemized travel expense voucher. Any charges not properly supported or documented will not be paid by the District and will become the personal obligation of the employee.
4. Unauthorized and/or Inappropriate Card Use
- a. Credit cards must never be used to purchase items for personal use or for non-District purposes, even if the cardholder intends to reimburse the District.
  - b. Unauthorized and/or inappropriate card use includes, but is not limited to:
    - 1) Items for personal use;
    - 2) Items for non-District purposes;
    - 3) Cash or cash advances;
    - 4) Alcoholic beverages;
    - 5) Weapons or explosives of any kind;
    - 6) Relocation expenses;
    - 7) Entertainment; or
    - 8) Recreation.
5. If any item purchased with a credit card is not acceptable, arrangements must be made for a return for credit or an exchange. A cash refund or check is prohibited unless the vendor insists that a refund must be by cash or check, then the funds must be deposited immediately with the District.
6. If, for any reason, disallowed charges are not repaid before the charge card billing is due and payable, the District shall have a prior lien against and a right to withhold any and all funds payable or to become payable to the official or employee up to an amount of the disallowed charges and interest at the same rate as charged by the company which issued the charge card. Any official or employee who has been issued a charge card by the District shall not use the card if any disallowed charges are outstanding and shall surrender the card upon demand of the Finance Director. The District shall have unlimited authority to revoke use of any charge card issued under this section, and, upon such revocation order being delivered to the charge card company, shall not be liable for any costs.

**B. Responsibility and Accountability**

It is the responsibility of each individual cardholder to:

- 1. Safeguard the credit card and credit card account number at all times; lost or stolen credit cards must be reported immediately to the credit card agency and the District Finance Department;
- 2. Keep credit card in a secure location at all times;
- 3. Not transfer, assign, or otherwise allow anyone to use the credit card and/or credit card



account number who is not authorized to do so;

4. Credit card incentives, such as points, rebates, cash rewards, travel miles, and other financial incentives that apply to the District-issued credit card are the property of the District and may not be transferred to the employee's personal account or be redeemed by the employee for personal use.
5. Obtain and retain original itemized receipts for goods and services purchased. All forms of canceled checks and copies of credit card bills do not substitute for original receipts. An employee may be allowed to file an affidavit in lieu of a receipt if the original receipt is lost or a receipt is not obtained;
6. Review in a timely manner monthly statements, provided by the Finance Director, for accuracy and ensuring all transactions posted are legitimate transactions made by the cardholder. Receipts and/or packing slips and the customer's copy of the charges must to the finance department.
7. Surrender the credit card and corresponding support documentation to the Finance Director upon request or separation from the District;
8. Take any other steps necessary to ensure that the credit card is used only for authorized purposes.

C. Periodic Reviews

The District Finance Department shall conduct periodic reviews for proper card use. Credit card records will be audited from time to time.

D. Disciplinary Action

A cardholder who makes an unauthorized purchase with the card or uses the card in an inappropriate manner or otherwise violates this policy will be subject to revocation of the credit card and disciplinary action including restitution to the District for unauthorized purchases, investigation, possible card cancellation, possible termination of employment at the District and potential criminal prosecution at the District's discretion.



## STAFF REPORT

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**To:** Board of Directors  
**From:** Aleah Binkowski-Burk  
**Agenda Item:** Acceptance of Special Districts Insurance Services Proposal of Insurance for the term starting January 1, 2019 through December 31, 2018  
**Item No.:** 10  
**Date:** December 18, 2018

### **Action Requested**

The District is seeking approval to renew our Property and Liability Insurance with Special Districts Insurance Services using Brown and Brown as our agent of record. Brown and Brown have reviewed the District's options and needs and verified that SDIS provides the most comprehensive coverage for the price.

### **Background**

In December of 2017, the Oak Lodge Water Services Board of Directors approved the General Manager to place Property and Liability Insurance with Special District Insurance Services (SDIS). The Board also approved for the General Manager to sign a Longevity Credit and Rate Lock agreement with SDIS. The District agreed to remain a participant in the SDIS Property and Liability Program from January 1, 2018 through December 31, 2019. In return for our commitment to renew with SDIS, they agreed to a maximum rate increase of no more than 5% and the District receives two \$11,973 longevity credit payments. We received the first payment in January of 2018 and will receive the second payment in January of 2019.

In December of 2017 the District also signed a Broker Services Agreement with Brown and Brown for two years at a fixed agency fee of \$12,250 per year for brokering the SDIS Property and Liability insurance. All other specialized insurances are paid at a different commission rate. While final costs are still being finalized for additional recommended insurance packages, the proposed package premium total for SDIS Property and Liability insurance is \$123,737 a decrease of \$224.00 from last year. Under the District's newly adopted Contracting and Purchasing Rules section III, insurance contracts are exempted from the Contracting and Purchasing rules, however given the dollar amount, the District seeks Board approval to authorize the General Manager to renew our Property and Liability Insurance with SDIS for a proposed premium of \$123,737 for the 2019 calendar year.

### **Suggested Board Motion**

*"I move that the Board authorize the General Manager to renew the District's Property and Liability Insurance with SDIS for the policy term starting January 1<sup>st</sup>, 2019 and ending on December 31<sup>st</sup>, 2019.*

**Attachments**

1. Premium Summary Proposal for SDIS Property and Liability Insurance

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**PREMIUM SUMMARY**


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POLICY TERM: 01/01/2019 - 01/01/2020

	CARRIER & AM BEST RATING	PREMIUM
Property/Inland Marine	Special Districts Insurance Services – Admitted- Not Rated	\$ 61,492
Earth Movement	Special Districts Insurance Services – Admitted- Not Rated	\$ 4,407
Flood	Special Districts Insurance Services – Admitted- Not Rated	\$ 2,191
Boiler/Mechanical Breakdown	Special Districts Insurance Services – Admitted- Not Rated	\$ 16,576
Crime	Special Districts Insurance Services – Admitted- Not Rated	\$ 1,360
Public Entity Liability	Special Districts Insurance Services – Admitted- Not Rated	\$ 40,269
Auto	Special Districts Insurance Services – Admitted- Not Rated	\$ 11,562
Best Practices Credit	Special Districts Insurance Services – Admitted- Not Rated	(\$ 12,562)
Multi Line Discount Credit	Special Districts Insurance Services – Admitted- Not Rated	(\$ 1,559)
<b>PACKAGE PREMIUM TOTAL</b>		<b>\$ 123,737</b>
Agency Fee	**Premiums are Net of Commission**	\$ 12,250
<b>TOTAL PREMIUM</b>		<b>\$ 135,987</b>

*The information obtained from A.M. Best's Rating is not in any way a warranty or guaranty by Brown & Brown Northwest of the financial stability of the insurer and this information is current only as of the date of publication.*

Premiums may be subject to audit  
Premiums include Terrorism Coverage

**PAYMENT TERMS**

- Premium is due to Special Districts Insurance Services by February 1, 2019
- Agency Service Fee installment due to Brown & Brown Northwest

This is an overview of your insurance program. Policy terms, conditions and exclusions referred to in this Proposal/Summary may be limited, please refer to your policy for all terms, conditions and exclusions that will govern. In the event of a difference, the policy will prevail. Higher limits may be available upon request.

**SPECIAL DISTRICTS PREMIUM/RATE COMPARISON**

**Special Districts Insurance Services - Policy Year 2018-2019 Comparison Report**

Brown & Brown Northwest-Portland

**Oak Lodge Water Services**

The following comparison shows the difference in contributions from the 2018 policy year to the 2019 policy year renewal. The following summary shows the amounts and percentages that have changed from 2018 to 2019. This summary is intended only to give you a general idea of the rating components that influence contributions.

Coverage	Annualized 2018 Contribution	2019 Contribution after rate and best practices changes	Change after rate and best practices changes	% change after rate and best practices changes	Change in Exposures	2019 Contribution after exposure, and all other changes	Total contribution change	Total % contribution change
General Liability	\$38,508	\$39,533	\$1,025	2.66%	See Below	\$34,128	(\$4,380)	-11.37%
Auto Liability	\$4,216	\$3,996	(\$220)	-5.21%	3	\$4,849	\$633	15.01%
Non-Owned Auto Liability	\$129	\$129	\$0	0.00%		\$129	\$0	0.00%
Auto Physical Damage	\$5,239	\$5,112	(\$127)	-2.43%	\$115,375	\$5,834	\$595	11.36%
Non-Owned APD	\$92	\$95	\$3	3.26%		\$95	\$3	3.26%
Property	\$51,811	\$50,987	(\$824)	-1.59%	\$1,439,147	\$54,168	\$2,357	4.55%
Earthquake	\$4,256	\$4,469	\$213	5.00%	\$1,439,147	\$4,407	\$151	3.55%
Flood	\$2,107	\$2,212	\$105	5.00%	\$1,439,147	\$2,191	\$84	3.99%
<b>Total</b>	<b>\$106,358</b>	<b>\$106,533</b>	<b>\$175</b>	<b>0.16%</b>		<b>\$105,801</b>	<b>(\$557)</b>	<b>-0.52%</b>
<b>Pass Through Coverages</b>								
Boiler and Machinery	\$16,263				\$1,439,147	\$16,576	\$313	1.92%
Crime	\$1,340					\$1,360	\$20	1.49%
<b>Total</b>	<b>\$17,603</b>					<b>\$17,936</b>	<b>\$333</b>	<b>1.89%</b>
<b>TOTAL ALL LINES</b>	<b>\$123,961</b>					<b>\$123,737</b>	<b>(\$224)</b>	<b>-0.18%</b>

**General Liability Exposure Comparison**

Description	Last Year	Current year	Difference
Events/Fundraisers - Alcohol Served	0	0	0
Pipe Line (Sewer or Storm Drainage)	160	99	-61
2018-2019 Budgeted Materials and Supplies *	3,961,250	4,217,800	256,550
2018-2019 Budgeted Personal Services *	5,150,000	4,965,600	-184,400
Water District Lakes or Reservoirs	4	4	0

\* Auto Liability Exposure = Number of Autos  
 Auto Physical Damage Exposure = Total Insured Automobile Values  
 Property Exposure = Total Insured Property Values  
 Excess Liability = Materials and Supplies + Personal Services  
 Boiler and Machinery = Total Insured Property Values

Loss Ratio	Best Practices
2013-2017 Loss Ratio: 165.23%	% Credit
	2018 10.00%
	2019 10.00%

This is an overview of your insurance program. Policy terms, conditions and exclusions referred to in this Proposal/Summary may be limited, please refer to your policy for all terms, conditions and exclusions that will govern. In the event of a difference, the policy will prevail. Higher limits may be available upon request.

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**SCHEDULE OF OTHER POLICIES**


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**POLICY INFORMATION**

<b>Policy Number</b>	<b>Policy Description</b>	<b>Policy Term</b>	<b>Insurance Company</b>	<b>Premium</b>
33W589681112	Workers Compensation	07/01/2018-07/01/2019	Special Districts of Oregon	\$44,625
24953699202018	Flood: Service Center Bldg	04/05/2018-04/05/2019	Hartford Ins Co of the Midwest	\$20,154
24953699222018	Flood: Pump Gallery Bldg	04/05/2018-04/05/2019	Hartford Ins Co of the Midwest	\$17,664
24953699232018	Flood: Garage/Storage Bldg	04/05/2018-04/05/2019	Hartford Ins Co of the Midwest	\$2,915

This is an overview of your insurance program. Policy terms, conditions and exclusions referred to in this Proposal/Summary may be limited, please refer to your policy for all terms, conditions and exclusions that will govern. In the event of a difference, the policy will prevail. Higher limits may be available upon request.

**OAK LODGE**  
WATER SERVICES  
**STAFF REPORT**

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**To:** Board of Directors  
**From:** Jason Rice  
**Agenda Item:** Solids Building Refurbishment – Engineering Task Order  
**Item No.:** 11  
**Date:** December 11 for the December 18, 2018 Board Meeting

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**Action Requested**

Authorize the General Manager to sign a Task Order with Brown and Caldwell to produce the final design of the Installation of a Portable Backup Belt Filter Press at a cost not to exceed \$115,075.

**History**

June 2018            The Board approved the FY19 Budget which included a project to design and install the new Belt Filter Press under the title “Solids Handling Building Refurbishment and Process Improvements” for a total of \$300,000. The adopted FY19-24 Capital Improvement Plan also has \$300,000 planned to be spent in FY20 for a total planned project cost of \$600,000.

June 2018            The Board approved a Technical Services On-Call Contract which included Brown and Caldwell for Engineering Services at the Water Reclamation Facility.

August 2017         Board approved the purchase of a used Belt Filter Press from Hayden (Idaho) Area Regional Sewer Board for \$25,000.

**Background**

Earlier this year, District Staff engaged Brown and Caldwell (BC) to evaluate options to install a belt filter press for dewatering redundancy during the preliminary design phase of its Belt Filter Press Installation project. The District wishes to install its newly acquired BFP (BFP2) unit on a flatbed trailer so that it can be easily moved in and out of position near the solids handling building to provide supplemental services if the existing BFP (BFP1) is down, or if the District requires greater dewatering capacity in the future.

The District desires an outdoor-rated panel that can be installed outside the Solids Handling Building. BC’s first task was to inventory the equipment received to assess its

condition, and then recommend any necessary steps to make the equipment operable again. This technical memorandum (attachment 1 to this document) presents the findings of BC's preliminary evaluation of BFP2 installation alternatives.

BC will further the work done during the preliminary phase of the BFP Installation project and complete the design. The purpose of this project is to design facilities for the installation of a BFP purchased by the District (BFP2), so that it can be temporarily moved into position south of the solids handling building (SHB) to provide dewatering on an as-needed basis. It was assumed in the preliminary design that BFP2 would be mounted on a flatbed trailer, but more work is needed during design to evaluate trailer options. Initially the District intended to use an existing flatbed trailer with some modifications, but it was later determined that purchasing a new or previously owned trailer would be a better option. It was also determined on a site visit during preliminary design with BC and Andritz, the BFP2 manufacturer, that the existing trailer did not have adequate capacity for mounting BFP2. Andritz recommended a more semi-permanent skid mounted installation where BFP2 would be moved in and out of place with a crane as needed. Further evaluation is required to determine if this is a viable option.

A new washwater booster pump is recommended for the BFP2 installation and selection will be finalized during design. Additionally, a new air compressor is needed for the pneumatic belt tensioning and tracking system, and a portable conveyor will be specified to collect and transport the dewatered solids from BFP2. Piping modifications are required to tie BFP2 into the existing sludge feed and polymer piping systems. Preliminary layout drawings were developed with the preliminary design TM to show some of the equipment and piping modifications and additions. This will be further developed and finalized in this phase. Further evaluation of the site drain facilities in the area of the BFP2 installation is also needed. There may be some additional bends in the drain piping that aren't shown on the design drawings that will limit the drain flow in that area and will need to be alleviated to allow the drain flow from BFP2.

Evaluation of a sludge storage hopper will be a separate task in this phase. Staff is considering installing a sludge storage hopper to eliminate the need for permanently parking a solids loading truck south of the SHB and having plant staff regularly haul the solids to eastern Oregon. Dewatered solids from the existing BFP and BFP2 would be conveyed and stored in the sludge storage hopper and the solids would be regularly picked up by a contract hauler. This will be discussed in the space planning meeting and further evaluated for feasibility.

### **Concurrence**

Technical Services along with Plant Operations worked together to develop the Scope of Work (attachment 2) with Brown and Caldwell. Both agree that the price is within an expectable range for this type of specialized work.



### **Work Load Impacts**

The District Engineer and Plant Superintendent will be reviewing the plans as they are created. Staff is not requesting the Board to approve Brown and Caldwell's cost proposal for Phase 3 at the moment. The goal is that this work will be able to be managed in-house and save the District the proposed \$37,154.

### **Suggested Board Motion**

*"I move to approve our General Manager to sign a Task Order with Brown and Caldwell to produce the final design of the Installation of a Portable Backup Belt Filter Press at a cost not to exceed \$115,075."*

### **Attachments:**

1. Brown and Caldwell 30% Design
2. Brown and Caldwell Scope and Budget Proposal



6500 SW Macadam Avenue, Suite 200  
Portland, OR 97239

Phone: 503.244.7005  
Fax: 503.244.9095

# Technical Memorandum

## DRAFT

Prepared for: Oak Lodge Water Services District

Project title: Belt Filter Press Installation

Project no.: 151530

### Technical Memorandum

Subject: Belt Filter Press Installation Preliminary Design

Date: June 22, 2018

To: David Mendenhall, Plant Superintendent

From: Heather Lough, Project Manager

Prepared by: \_\_\_\_\_  
Heather Lough, Project Manager

Reviewed by: \_\_\_\_\_  
Bryan Paulson, P.E.

#### Limitations:

*This is a draft memorandum and is not intended to be a final representation of the work done or recommendations made by Brown and Caldwell. It should not be relied upon; consult the final report.*

*This document was prepared solely for Oak Lodge Water Services District in accordance with professional standards at the time the services were performed and in accordance with the contract between Oak Lodge Water Services District and Brown and Caldwell dated December 8, 2017. This document is governed by the specific scope of work authorized by Oak Lodge Water Services District; it is not intended to be relied upon by any other party except for regulatory authorities contemplated by the scope of work. We have relied on information or instructions provided by Oak Lodge Water Services District and other parties and, unless otherwise expressly indicated, have made no independent investigation as to the validity, completeness, or accuracy of such information.*

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## List of Abbreviations

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ANDRITZ	ANDRITZ-RUTHNER, Inc.
BC	Brown and Caldwell
BFP	belt filter press
BFP1	existing unit
BFP2	new belt filter press unit
District	Oak Lodge Water Services District
DS	digested sludge
GBT	gravity belt thickener
GVWR	gross vehicle weight rating
hp	horsepower
MCC	motor control center
NEMA	National Electrical Manufacturers Association
P&ID	process and instrumentation diagram
PLC	programmable logic controller
SHB	Solids Handling Building
TM	technical memorandum
UV	ultraviolet
WWBP	wash water booster pump



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## Executive Summary

The Oak Lodge Water Services District (District) engaged Brown and Caldwell (BC) to evaluate options to install a belt filter press (BFP) for dewatering redundancy during the preliminary design phase of its Belt Filter Press Installation project. The District wishes to install the new BFP unit (BFP2) on a flatbed trailer so that it can be easily moved in and out of position near the solids handling building (SHB) (as needed) to provide supplemental services if the existing BFP (BFP1) is down, or if the District requires greater dewatering capacity in the future.

The District desires an outdoor-rated panel that can be installed outside the SHB. BC's first tasks were to (1) inventory the equipment received to assess its condition, and (2) decide any necessary steps to make the equipment operable again. This technical memorandum (TM) presents the findings of BC's preliminary evaluation of BFP2 installation alternatives.

### Controls

The District purchased a previously owned ANDRITZ-RUTHNER, Inc.© (ANDRITZ) 1.5-meter Low Profile SMX-S8® BFP (i.e., BFP2) that it plans to use as a backup when BFP1 is down for repair. ANDRITZ visited the site and evaluated the equipment, and found that BFP1 is mostly in good condition, but the control panel is obsolete and needs to be replaced. The BFP1 control panel and smaller equipment control panels for the wash water booster pump (WWBP) and air compressor were obsolete. ANDRITZ provided an estimate to upgrade the controls; Option 1 replaces the existing control panel (60-GBT-001-PCP) for BFP1 and the gravity belt thickener (GBT) in the SHB, and Option 2 retains 60-GBT-001-PCP and provides programming services to integrate BFP2 monitoring and control (see Attachment A).

The budget estimate for this scope and to replace the BFP1/GBT control panel for Option 1 (as quoted by ANDRITZ) is \$69,989; the budget estimate for Option 2 is \$54,988.

### Ancillary Equipment Requirements

BFP2 came with a 1.5-horsepower (hp) WWBP to provide spray water to wash the belts—actual pump requirements will be determined during final design.

BFP2 did not come with an air compressor, which is required to provide air to the pneumatic panel and control the belt tensioning and tracking systems.

BC proposes a 21-foot-long conveyor unit to transport the solids discharged by the BFP to the solids loading truck; a hopper unit may need to be fabricated that will catch the cake coming off BFP2.

## BFP Installation Location

BC assessed the feasibility of various locations for installation near the SHB. After initial review, three possible locations for BFP2 were evaluated to determine their viability.

### Alternatives

BC evaluated three possible locations to install BFP2 near the SHB:

- **Location 1—Between the SHB and UV Disinfection Facility:** after verifying some measurements, BC determined that this location is not feasible due to space constraints
- **Location 2—Between the SHB and Electrical Building 75:** this location is in the area where the solids truck is currently parked for loading
- **Location 3—Northwest of the SHB:** this location is in the access road behind the ultraviolet (UV) Disinfection Facility



BC provided plant staff with these three location alternatives and the list of pros and cons, and they chose to focus the remaining effort on developing Location 2 (between the SHB and Electrical Building 75) for BFP2 installation.

### **Location 2 Development**

Preliminary layout drawings for installing BFP2 in Location 2 from Figure 1 are provided in Attachment B. To load the dewatered solids from BFP2, a portable conveyor must extend from the discharge end to the solids loading truck.

Drawings M102 and M106 also show modifications to digested sludge (DS) piping within SHB that would be required to connect BFP2 to the existing sludge feed system (Attachment B).

### **Electrical and Instrumentation Requirements**

BC proposes that the BFP2 control panel (BFPCP2) be located outside along the south wall of the SHB just east of the solids conveyor exiting the building. BFPCP2 will be provided with a 480-volt, 3-phase feed taken from a new 40-ampere circuit breaker installed in the motor control center (MCC) in the MCC room on the east side of the SHB. Drawing M102 shows the required electrical modifications.

### **Preliminary Cost Estimate**

BC prepared preliminary layout drawings to install BFP2 south of the SHB (see Attachment B). BC also prepared a preliminary cost estimate to install BFP2 (see Attachment C). BC estimates that the project will cost approximately



## Section 1: BFP2 and Associated Equipment

The District hired BC to evaluate several options to install a BFP during the preliminary design phase of its Belt Filter Press Installation project. The District plans to install BFP2 on a trailer near the SHB (as needed) to provide supplemental services if BFP1 is down, or if the District requires greater dewatering capacity.

BC's tasks included taking inventory of the equipment received to assess its condition, and noting any necessary steps to make the equipment operable again. This TM presents BC's findings.

### 1.1 Description

The District purchased a previously owned ANDRITZ 1.5-meter Low Profile SMX-S8 (BFP2) that it plans to use as a backup when BFP1 is down for repair, or in conjunction with BFP1 if additional capacity is ever required. BFP2 has a loading rate of 130 gallons per minute with 15 percent discharge solids.

With the purchase, the District received the main BFP unit, WWBP and control panel, air compressor control panel, pneumatic panel, main control panel, surrounding access platform and stairs, a spare drive unit, spare dewatering belts, and other spare parts (e.g., doctor blades and seals). Most of the equipment received appears to be in good working order—but the main control panel and other equipment control panels were in poor condition and obsolete. The programmable logic controller (PLC) and much of the inner workings of the main control panel were removed and the enclosure was outdated and not suitable for outdoor installation.

The District desires an outdoor-rated panel that can be installed outside the SHB near where BFP2 will be located. In addition to a new control panel, BFP2 did not come with an air compressor, and a new WWBP is recommended.

#### 1.1.1 Controls Update

Representatives with ANDRITZ visited the site and evaluated the equipment. The main control panel for BFP2 and the smaller equipment control panels for the WWBP and air compressor were in poor condition and obsolete. ANDRITZ provided an estimate to upgrade the controls (see Attachment A). A new National Electrical Manufacturers Association (NEMA) 4X, 304 stainless-steel control panel measuring approximately 40 by 72 by 18 inches would be provided as the new control panel for BFP2 (BFPCP2). BFPCP2 would include the following components:

- Main circuit breaker disconnect with flange-mounted operator handle
- Main drive variable-frequency drive
- Motor starters for the air compressor, WWBP, and portable solids conveyor
- Remote input/output system
- Ethernet switch
- Control relays, power supplies, terminals, and all miscellaneous components required
- Door-mounted system control power selector switch
- Door-mounted emergency stop pushbutton
- Door-mounted 10-inch-wide color touchscreen operator interface terminal

A separate NEMA 4X, 304 stainless-steel panel measuring approximately 24 by 24 by 8 inches would be provided as the BFP2 pneumatic panel (BFPPP2), which would provide control for the top and bottom belt tensioner and belt tracking.

Hard-wired and Ethernet controls would interconnect BFPCP2 with the BFP1/GBT control panel (60-GBT-001-PCP) located at the mezzanine level of the SHB. This interconnection facilitates portable BFP2 to





interoperate with the existing sludge feed pumps, grinder, and polymer feed system, and avoids the need for dedicated wiring to BFPCP2 from these related systems.

The scope of supply for ANDRITZ includes supplying all components for BFPCP2; engineering design and documentation; new as-built drawings; programming; and onsite service to coordinate installation with the contractor, functional testing, and startup. The budget estimate for this scope and to replace the BFP1/GBT control panel (as quoted by ANDRITZ) in Option 1 is \$69,989. Option 2 scope is the same as Option 1 with the exception that the BFP1/GBT control panel is retained and reprogrammed to incorporate BFP2 monitoring and control. The budget estimate for Option 2 is \$54,988.

Complete estimates with further details on specific components in BFPCP2, specific engineering services provided, details on onsite service provided, and a list of items not included in the scope can be found in Attachment A. ANDRITZ also provided a reference process and instrumentation diagram (P&ID) (Attachment A).

### **1.1.2 Ancillary Equipment Requirements**

BFP2 came with a 1.5 hp WWBP (as required) to provide spray water to wash the belts. ANDRITZ has stated that it may be necessary to upsize the booster pump. For the subsequent cost estimate that BC is providing to install BFP2, BC assumed that a new WWBP is required—actual pump requirements will be determined during final design.

BFP2 did not come with an air compressor, which is required to provide air to the pneumatic panel and control the belt tensioning and tracking systems. The unit originally came with a 5 hp compressor providing 20 cubic feet per minute at 90 pounds per square inch gauge. A new air compressor will be needed, and is included in the project cost estimate.

A new portable solids conveyor will also be required to transport the solids discharged by BFP2 to the solids loading truck. For purposes of preliminary design, BC proposes a 21-foot-long conveyor unit with a 16-inch-wide cleated belt. One issue that may arise with the portable conveyor is getting it under the cake discharge chute of BFP2 with the trailer tongue there. A hopper unit may need to be fabricated that will catch the cake coming off BFP2, move it out in front of the trailer tongue, and discharge it onto the conveyor. At the top, the hopper would be a little wider than the discharge chute (roughly 70 inches), and have to neck down to the width of the conveyor belt while simultaneously angling out to extend beyond the end of the trailer tongue. There could also be a collection hopper on the conveyor to catch the solids, as well as a cover over the entire length of the conveyor to avoid solids spilling on the pavement.

The SHB polymer system will be used to operate BFP2 and the existing sludge feed system. Preliminary design drawings in Attachment B show the sludge feed for BFP2 tying into the existing DS BFP feed pipe downstream of the final polymer feed point. BFPCP2 will be interconnected to the BFP1/GBT control panel to interlock and control the sludge feed pumps, grinder, and polymer feed system.

The District wishes to install BFP2 on a flatbed trailer so that it can be easily moved in and out of position, as needed. Initially, the District planned to refurbish a trailer it already owned for this purpose; however, BC recommends not using this trailer, because its gross vehicle weight rating (GVWR) is 23,700 pounds—which is not sufficient for BFP2 (wet weight of 23,800 pounds).

BC recommends that the District purchase a new heavy-duty flatbed trailer. A cursory search for trailers revealed that a heavy-duty flatbed trailer with a minimum GVWR of 38,500 pounds can likely meet project load requirements. (The actual load capacity of this size trailer would be 30,000 pounds.) The trailer is approximately 25.0 feet long by 8.5 feet wide; the BFP2 support base is roughly 9.9 feet by 6.9 feet, and the overall length and width of BFP2 are 24.3 feet by 9.2 feet, so it can be mounted on the trailer. To reduce the cost, the District may consider purchasing a used trailer if one can be found that meets requirements.



## Section 2: BFP2 Installation Location

This section summarizes details regarding BC’s BFP2 location alternatives, further development of Location 2, and all electrical and instrumentation requirements.

### 2.1 BFP2 Location Alternatives

BC evaluated three possible locations to install BFP2 near the SHB (see Figure 1):

- Location 1—Between the SHB and UV Disinfection Facility:** Plant staff initially believed that this would be the desired location for the BFP. After verifying some measurements, BC determined that this location is not feasible due to space constraints. The total distance between the two buildings is roughly 12 feet, but with some existing control panels and piping, there is only about 11 feet of total clearance. Because the BFP unit width is just greater than 9 feet—not including a trailer or any access platforms—there would not be enough clearance around the unit to safely operate it in Location 1.
- Location 2—Between the SHB and Electrical Building 75:** This location is in the area where the solids truck is currently parked for loading. Table 1 lists the various pros and cons of this location.
- Location 3—Northwest of the SHB:** This location is in the access road behind the UV Disinfection Facility. Table 1 lists the various pros and cons of this location.

BC provided plant staff with these location alternatives and the list of pros and cons for review, and they chose to focus the remaining effort on developing Location 2 (between the SHB and Electrical Building 75) for BFP2 installation.

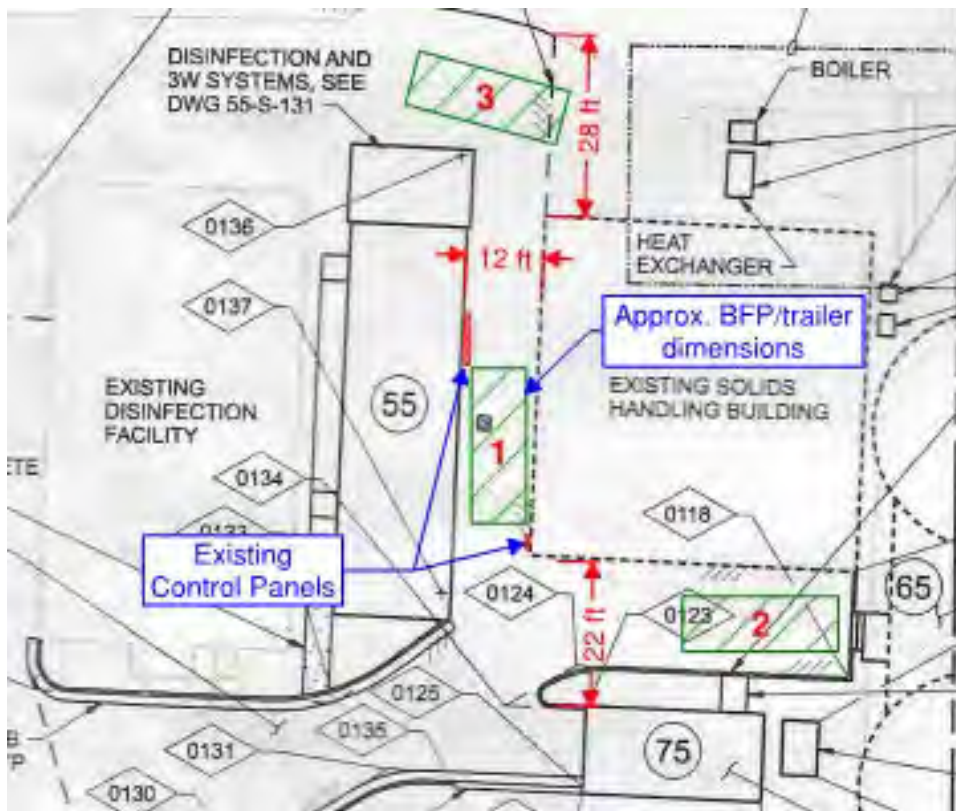


Figure 1. Possible BFP2 installation locations

**Table 1. Pros and Cons of BFP2 Location Alternatives**

BFP2 Location	Pros	Cons
1. Between the SHB and UV Disinfection Facility		<ul style="list-style-type: none"> <li>• Not feasible due to space constraints.</li> </ul>
2. Between the SHB and Electrical Building 75	<ul style="list-style-type: none"> <li>• Close access for tying into the DS piping.</li> <li>• Close access to the solids truck loading area and could potentially operate both BFPs concurrently.</li> <li>• Could more easily provide a canopy from the SHB to cover BFP2 when in use.</li> </ul>	<ul style="list-style-type: none"> <li>• Restricts access (somewhat) to the sludge pumping room.</li> <li>• Requires the solids truck to be parked farther west, which may decrease access to Electrical Building 75 and to the UV Disinfection Facility.</li> </ul>
3. Northwest of the SHB	<ul style="list-style-type: none"> <li>• Adequate space for BFP2, access platforms and conveyor.</li> <li>• Easy access for truck behind the UV Disinfection Facility for solids loading.</li> </ul>	<ul style="list-style-type: none"> <li>• Cannot run the two BFPs concurrently and load into the same truck.</li> <li>• Requires more piping to tie into the DS piping.</li> <li>• Would be more challenging to figure out a way to provide cover for BFP2.</li> </ul>

## 2.2 Development of Installation Location 2

Preliminary layout drawings for installing BFP2 in Location 2 (see Figure 1) are provided in Attachment B. Drawing M102 shows the proposed layout of the trailer-mounted BFP2 unit with access platforms on each side.

Currently, the solids loading truck pulls forward into the space between the SHB and Electrical Building 75, under the conveyor, to load the dewatered solids from BFP1 inside the SHB. To load the dewatered solids from BFP2, a portable conveyor must extend from the discharge end of the unit (i.e., west side of the trailer-mounted unit) to the truck (see M102). The truck would need to back into the space for loading. If both BFP units are operating concurrently, the conveyors should also be able to operate simultaneously and load the truck in different areas until full.

Drawings M102 and M106 show modifications to the DS piping within SHB that would be required to connect BFP2 to the existing sludge feed system (Attachment B). Just downstream of the polymer injection mixer, the elbow on the 4-inch-diameter DS pipe that goes to BFP1 feed would be replaced with a tee and new section of DS pipe extending out the south wall of the SHB toward the new BFP feed.

Some plug valves would be added to isolate feed to either BFP. Once the new DS pipe exits the SHB, a section of it would extend vertically down the outside of the wall with another plug valve, and then a quick-connect fitting to tie into a section of flexible pipe that attaches to the feed point on BFP2. When not in use, the flexible pipe section can be removed, and the new BFP sludge feed piping valved off. A flushing connection would be tied into the new DS feed piping to clean it before it is taken offline.

In addition to the sludge feed to BFP2, connections will also be required to the wash water drain lines. Two drain lines from the gravity zone filtrate pan in the upper portion of the unit come down both sides of BFP2. A third, single drain line down one side of BFP2 comes from the wedge zone, or lower filtrate pan. These three drain lines must be tied together and discharge to the catch basin that is in the center of the paved area where BFP2 unit will be located. Drainage to this catch basin returns to the plant for treatment.

Other details, such as the location of the WWBP and air compressor, have not yet been determined at this preliminary phase. BC plans to have the air compressor and tank installed on the trailer with BFP2 for easy access to supply air to the pneumatic panel. BC believes that there should be room for the WWBP in the SHB or in the sludge pump room. Access to 3W water supply for the WWBP is readily available.



## 2.3 Electrical and Instrumentation Requirements

A new control panel (BFPCP2) will be built for the portable BFP2 and associated equipment (see Section 1.1.1). BFPCP2 will house all motor starters and controls for the BFP2 main drive, WWBP, air compressor and pneumatic panel, and the portable conveyor.

BC proposes that BFPCP2 be located outside along the south wall of the SHB just east of the existing solids conveyor exiting the building. BFPCP2 will be provided with a 480-volt, 3-phase feed taken from a new 40 ampere circuit breaker installed in the MCC in the MCC room on the east side of the SHB. Conduit callouts are shown on mechanical plan drawing M102.

## Section 3: Preliminary Cost Estimate

This section summarizes BC’s preliminary cost estimate for installation of BFP2. The detailed cost estimate is provided in Attachment C and includes the basis of estimate report and summary estimate for both options for installing BFP2.

### 3.1 Basis of Estimate

The basis of estimate report includes information on the scope of work, background of the estimate, class of the estimate, estimating methodology, direct and indirect cost development, bidding assumptions, estimating assumptions, estimating exclusions, allowances for known but undefined work, and contractor and other estimate markups. The estimate was prepared using quantity take-offs from the preliminary drawings (provided in Attachment B), vendor quotes, and equipment pricing furnished either by the project team or the estimator. The estimate includes direct labor costs and anticipated productivity adjustments to labor and equipment. Where possible, estimates for work anticipated to be performed by specialty subcontractors have been identified.

### 3.2 Preliminary Cost Estimate for Options 1 and 2

Table 2 lists costs for the two options and shows a breakdown between BFP2 installation and associated equipment, piping and appurtenances, ANDRITZ scope of supply, and electrical subcontractor costs. Option 1 correlates to Option 1 in the ANDRITZ proposal, while Option 2 correlates to Option 2 from ANDRITZ. The estimated cost of Option 1 is \$381,547, and the estimated cost of Option 2 is \$352,691.

<b>Table 2. Preliminary BFP2 Installation Cost Estimate Summary</b>		
	<b>Option 1*</b>	<b>Option 2*</b>
BFP2 Installation and Associated Equipment	\$133,000	\$133,000
Pipe, Valves and Flow Meter	\$27,874	\$27,874
ANDRITZ Scope of Supply	\$115,835	\$91,008
Electrical Subcontractor Costs	\$104,748	\$100,719
<b>Total</b>	<b>\$381,547</b>	<b>\$352,691</b>

\*Gross total cost with markups.



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## **Attachment A: ANDRITZ Control Panel Proposal and P&ID**







## QUOTATION

Customer: 194552  
**Oak Lodge Sanitary District**  
 14611 SE River Road  
 Oak Grove OR 97267-1109

Contact: **Ms. Heather Lough**  
 Fax:  
 Copy to:  
 Your inquiry:

Our quote no: **20524676**

Supplier: **Andritz Separation Inc.**  
 Contact: **Nicole Firkins**  
 Phone: **+18173754430**  
 Fax: **+18173756430**  
 E-mail: **Nicole.Firkins@andritz.com**  
 Date: **06/19/2018**

Sales Responsible: **MURPHY, WILLIAM**

Dear Ms. Heather Lough,

We thank you for your inquiry and are pleased to quote as follows:

### 1. Scope of supply

ANDRITZ JOB#691-622

Should you choose to place an order, please provide the following information:

1. Shipping Address for Delivery
2. Billing Address for Invoice
3. Shipping Terms: If a specific carrier is preferred, please list as FCA, Origin Collect with preferred carrier. Otherwise, list as FCA, Origin Prepaid & Add.
4. Reference this quote number.

Freight is included.  
 Installation is excluded.

Item	Product	ID No.	S/W*	Quantity	Unit	Unit Price	Amount
10	Option 1: Trailer BFP Control Panels Upgrade BFP/GBT CP PLC/OIT Per attached	129999900		1	PC	69,989.00	69,989.00
20	Option 2: Trailer BFP Control Panels Reprogram BFP/GBT CP PLC/OIT Per attached	129999900		1	PC	54,988.00	54,988.00



Our quote no: 20524676

Total Amount

USD

\* S = Spare Parts, W = Wear Parts

Technical contact: Mr Jeff Congleton

### Terms and Conditions

2. **Delivery Time:**  
after receipt of order and any clarifications.  
Submittals 8 weeks After Acknowledgement of PO  
Equipment 16 weeks After Acknowledgement of PO
3. **Terms of delivery:**  
Our terms of delivery are FCA Origin Prepaid, according to INCOTERMS 2010.
4. **Terms of Payment:**  
Within 30 days Due net  
(1% default interest per month for delayed payment).
5. **Validity of quotation:**  
This quotation is valid to 07/31/2018.

### Other Terms:

6. **TERMS APPLICABLE**  
This quotation or acknowledgment and Seller's sale of Products and for provision of Services described in Buyer's purchase order issued in whole or in part in response to this quotation or in response to which this acknowledgement is issued are expressly limited to and expressly made conditional on, Buyer's acceptance of the Terms and Conditions of Sale and/or Service listed below, which are the exclusive terms and conditions upon which Andritz Separation Inc. or the applicable Andritz entity supplying the same ("Seller") will accept a purchase order for the sale of new, used and refurbished products, equipment, parts and/or the provision of services ("Products" and "Services"). These Terms and Conditions of Sale and/or Service control, supersede and replace any and all other additional and/or different terms and conditions of Buyer, and Seller hereby objects to and rejects all such terms and conditions of Buyer without further notification, except to the extent Seller expressly agrees to such conditions in writing. Seller's commencement of work under the Purchase Order or Buyer's acceptance of delivery of or payment for any Products or Services covered by this Agreement, in whole or in part, shall be deemed Buyer's agreement to the foregoing. The term "this Agreement" as used herein means this quotation or acknowledgment or Buyer's purchase order, together with any attachment thereto, any documents expressly incorporated by reference (but excluding any Buyer terms and conditions attached thereto or incorporated therein by reference), and these Terms and Conditions of Sale and/or Service.
7. **DELIVERY OR PERFORMANCE**  
Delivery or performance dates are good faith estimates and do not mean that "time is of the essence." Buyer's failure to promptly make advance or interim payments, supply technical information, drawings and approvals will result in a commensurate delay in delivery or performance. Installation of any Product shall not be Seller's responsibility unless specifically provided for in this Agreement. Upon and after delivery, risk of loss or damage to the Products shall be Buyer's. Delivery of the Products hereunder will be made on the terms agreed to by the parties as set forth in this Agreement, according to INCOTERMS 2010.
8. **WARRANTY**
  - (a) **Products Warranty.**
  - (i) **New Equipment Warranty.** In the case of the purchase of new equipment the Seller warrants to Buyer that the new equipment manufactured by it will be delivered free from defects in material and workmanship. This warranty shall commence upon delivery of the new equipment to Buyer and shall expire on the earlier to occur of 12 months from initial operation of the new equipment and 16 months from delivery thereof (the "Warranty Period").
  - (ii) **Parts and Used or Reconditioned Machinery or Equipment Warranty.** In the case of parts or used or reconditioned machinery or equipment, and unless otherwise indicated, Seller warrants to Buyer that the parts or the used or reconditioned machinery or equipment manufactured by it will be delivered free from defects in material and workmanship. This warranty shall commence upon delivery of the parts or the used or reconditioned machinery or equipment to the Buyer and shall expire 6 months from delivery thereof (the "Warranty Period").
  - (iii) If during the Warranty Period Buyer discovers a defect in material or workmanship of a Product and gives Seller written notice thereof within 10 days of such discovery, Seller will, at its option, either deliver to Buyer, on the same terms as the original delivery was made, according to INCOTERMS 2010, a replacement part or repair the defect in place. Any repair or replacement part furnished pursuant to this warranty are warranted against defects in material and workmanship for one period of 12 months from





Our quote no: 20524676

completion of such repair or replacement, with no further extension. Seller will have no warranty obligations for the Products under this Paragraph 3(a), (j) if the Products have not been stored, installed, operated and maintained in accordance with generally approved industry practices and with Seller's specific written instructions; (i) if the Products are used in connection with any mixture or substance or operating condition other than that for which they were designed; (k) if Buyer fails to give Seller such written 10 day notice; (v) if the Products are repaired by someone other than Seller or have been intentionally or accidentally damaged; (v) for corrosion, erosion, ordinary wear and tear or in respect of any parts which by their nature are exposed to severe wear and tear or are considered expendable; or (vi) for expenses incurred for work in connection with the removal of the defective articles and reinstallation following repair or replacement.

(b) Services Warranty. Seller warrants to Buyer that the Services performed will be free from defects in workmanship and will conform to any mutually agreed upon specifications. If any failure to meet this warranty appears within 12 months from the date of completion of the Services, on the condition that Seller be promptly notified in writing thereof, Seller as its sole obligation for breach of this warranty will correct the failure by re-performing any defective portion of the Services furnished. Seller does not warrant the accuracy of, or performance results of, any conclusions or recommendations provided, nor that any desired objective will result from the Service provided and Seller shall not be liable for any loss of use or any production losses whatsoever.

(c) Seller further warrants to Buyer that at delivery, the Products manufactured by it will be free of any liens or encumbrances. If there are any such liens or encumbrances, Seller will cause them to be discharged promptly after notification from Buyer of their existence.

(d) THE EXPRESS WARRANTIES SELLER MAKES IN THIS PARAGRAPH 3 ARE THE ONLY WARRANTIES IT WILL MAKE. THERE ARE NO OTHER WARRANTIES, WHETHER STATUTORY, ORAL, EXPRESS OR IMPLIED. IN PARTICULAR, THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(e) The remedies provided in Paragraphs 3(a), 3(b) and 3(c) are Buyer's exclusive remedy for breach of warranty.

(f) With respect to any Product or part thereof not manufactured by Seller, Seller shall pass on to Buyer only those warranties made to Seller by the manufacturer of such Product or part which are capable of being so passed on.

## 9. LIMITATION OF LIABILITY

Notwithstanding any other provision in this Agreement, the following limitations of liability shall apply:

- (a) In no event, whether based on contract, tort (including negligence), strict liability or otherwise, shall Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies be liable for loss of profits, revenue or business opportunity, loss by reason of shutdown of facilities or inability to operate any facility at full capacity, or cost of obtaining other means for performing the functions performed by the Products, loss of future contracts, claims of customers, cost of money or loss of use of capital, in each case whether or not foreseeable, or for any indirect, special, incidental or consequential damages of any nature resulting from, arising out of or connected with the Products, Services or this Agreement or from the performance or breach hereof.
- (b) The aggregate liability of Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies, for all claims of any kind for any loss, damage, or expense resulting from, arising out of or connected with the Products, Services or this Agreement or from the performance or breach hereof, together with the cost of performing make good obligations to pass performance tests, if applicable, shall in no event exceed the contract price.
- (c) The limitations and exclusions of liability set forth in this Paragraph 4 shall take precedence over any other provision of this Agreement and shall apply whether the claim of liability is based on contract, warranty, tort (including negligence), strict liability, indemnity, or otherwise. The remedies provided in this Agreement are Buyer's exclusive remedies.
- (d) All liability of Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies, resulting from, arising out of or connected with the Products, Services or this Agreement or from the performance or breach hereof shall terminate on the third anniversary of the date of this Agreement.
- (e) In no event shall Seller be liable for any loss or damage whatsoever arising from its failure to discover or repair latent defects or defects inherent in the design of goods serviced (unless such discovery or repair is normally discoverable by tests expressly specified in the scope of work under this Agreement) or caused by the use of goods by the Buyer against the advice of Seller. If Seller furnishes Buyer with advice or assistance concerning any products or systems that is not required pursuant to this Agreement, the furnishing of such advice or assistance will not subject Seller to any liability whether in contract, indemnity, warranty, tort (including negligence), strict liability or otherwise.

## 10. CHANGES, DELETIONS AND EXTRA WORK

Seller will not make changes in the Products unless Buyer and Seller have executed a written Change Order for such change. Buyer, without invalidating this Agreement, may make changes by altering, adding to or deducting from the general scope of the Services by written Change Order. Any such Change Order will include an appropriate adjustment to the contract price and delivery schedule. If the change impairs Seller's ability to satisfy any of its obligations to Buyer, the Change Order will include appropriate modifications to this Agreement. Seller shall be entitled to a Change Order adjusting the contract price, delivery schedule and/or any affected obligations of Seller if, after the date of this Agreement a change in applicable law should require a change in the Products or Services or in the event and to the extent that an act or omission of Buyer, or any error or change in Buyer-provided information, affects the Seller's performance hereunder.

## 11. TAXES

Seller's prices do not include any sales, use, excise or other taxes. In addition to the price specified herein, the amount of any present or future sales, use, excise or other tax applicable to the sale or use of the Products or Services shall be billed to and paid by Buyer unless Buyer provides to Seller a tax-exemption certificate acceptable to the relevant taxing authorities.

## 12. SECURITY INTEREST

Seller shall retain a purchase money security interest and Buyer hereby grants Seller a lien upon and security interest in the Products until all payments hereunder have been made in full. Buyer acknowledges that Seller may file a financing statement or comparable document as required by applicable law and may take all other action it deems reasonably necessary to perfect and maintain such security interest in Seller and to protect Seller's interest in the Products.

## 13. SET OFF

Neither Buyer nor any of its affiliates shall have any right to set off claims against Seller or any of its affiliates for amounts owed under this Agreement or otherwise.

## 14. PATENTS

Unless the Products or any part thereof are designed to Buyer's specifications and provided the Product or any part thereof is not used in any manner other than as specified or approved by Seller in writing, (i) Seller shall defend against claims made in a suit or proceeding brought against Buyer by an unaffiliated third party that any Product infringes a device claim of a United States or Canadian patent issued as of the effective date of this Agreement and limited to the field of the specific Products provided under this Agreement, provided Seller is notified promptly in writing and given the necessary authority, information and assistance for the defense of such claims; (ii) Seller shall satisfy any judgment (after all appeals) for damages entered against Buyer on such claims so long as such damages are not attributable to willful conduct or sanctioned litigation conduct; and (iii) if such judgment enjoins Buyer from using any Product or a part thereof, then Seller will, at its option: (a) obtain for Buyer the right to continue using such Product or part; (b) eliminate the infringement by replacing or modifying all or part of the Products; or (c) take back such Product or part and return to Buyer all payments on the purchase price that Seller has received for such Product or part. The foregoing states Seller's entire liability for patent infringement by any Product or part thereof.

## 15. SOFTWARE LICENSE, WARRANTY, FEES

The following Software Terms and Conditions apply to any embedded or separately packaged software produced by Seller and furnished by Seller hereunder:

- (a) Seller hereby grants to Buyer a non-exclusive, non-transferable, non-sub-licensable license to the Software, and any modifications made by Seller thereto in connection with configuration of the Products and operating system for which the Software is ordered hereunder, and for the end-use purpose stated in the related Seller operating documentation. Buyer agrees that neither it nor any third party shall modify, reverse engineer, decompile or reproduce the Software, except Buyer may create a single copy for backup or archival purposes in accordance with the related Seller operating documentation (the "Copy"). Buyer's license to use the Software and the Copy of such Software shall terminate upon any breach of this Agreement by Buyer. All copies of the Software, including the Copy, are the property of Seller; and all copies for which the license is terminated shall be returned to Seller with written confirmation after termination.
- (b) Seller warrants that: on the date of shipment of the Software or the Products containing the Software to Buyer: (1) the Software media contain a true and correct copy of the Software and are free from material defects; (2) Seller has the right to grant the license hereunder; and (3) the Software will function substantially in accordance with the related Seller operating documentation.
- (c) If within 12 months from the date of delivery of the Software or Products containing the Software, Buyer discovers that the Software is not as warranted above and notifies Seller in writing prior to the end of such 12 month period, and if Seller determines that it cannot or will not correct the nonconformity, Buyer's and Buyer's Seller-authorized transferee's exclusive remedies, at Seller's option, are: (1) replacement of the nonconforming Software; or (2) termination of this license and a refund of a pro rata share of the contract price or license fee paid.
- (d) If any infringement claims are made against Buyer arising out of Buyer's use of the Software in a manner specified by Seller, Seller shall: (i) defend against any claim in a suit or proceeding brought by an unaffiliated third party against Buyer that the Software violates a registered copyright or a confidentiality agreement to which Seller was a party, provided that Seller is notified promptly in writing and given the necessary authority, information and assistance for the defense and settlement of such claims (including the sole authority to select counsel and remove the Software or stop accused infringing usage); (ii) Seller shall satisfy a final judgment (after all appeals) for damages entered against Buyer for such claims, so long as such damages are not attributable to willful conduct or sanctioned litigation conduct; and (iii) if such judgment enjoins Buyer from using the Software, Seller may at its option: (a) obtain for Buyer the right to continue using such Software; (b) eliminate the infringement by replacing or modifying the Software; or (c) take back such Software and refund to Buyer all payments on the purchase price that Seller has received. However, Seller's obligations under this Paragraph shall not apply to the extent that the claim or adverse final judgment relates to: (1) Buyer's running of the Software after being notified to discontinue; (2) non-Seller software, products, data or processes; (3) Buyer's alteration of the Software; (4) Buyer's distribution of the Software to, or its use for the benefit of, any third party; or (5) Buyer's acquisition of confidential information (a) through improper means; (b) under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (c) from a third party who owed to the party asserting the claim a duty to maintain the secrecy or limit the use of the confidential information. Buyer will reimburse Seller for any costs or damages that result from actions 1 to 5. In Seller's discretion and at Seller's own expense, with regard to any actual or perceived infringement claim related to the Software, Seller may: (i) procure the right to use the Software; (ii) replace the Software with a functional equivalent; and/or (iii) modify the Software. Under (i) and (ii) above, Buyer shall immediately stop use of the allegedly infringing Software.
- (e) This warranty set forth in subparagraph (c) above shall only apply when: (1) the Software is not modified by anyone other than Seller or its agents authorized in writing; (2) there is no modification in the Products in which the Software is installed by anyone other than Seller or its agents authorized in writing; (3) the Products are in good operating order and installed in a suitable operating environment; (4) the nonconformity is not caused by Buyer or a third party; (5) Buyer promptly notifies Seller in writing, within the





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period of time set forth in subparagraph (c) above, of the nonconformity, and (6) all fees for the Software due to Seller have been timely paid. SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE SOFTWARE, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING AND USAGE OF TRADE.

- (f) Buyer and its successors are limited to the remedies specified in this Paragraph.
- (g) Any subsequent modifications or enhancements to the Software made by Seller are, at Seller's option, subject to a fee.

## 16. SITE RISKS

- (a) **Concealed Conditions.** The parties acknowledge and agree that increased costs or schedule extensions due to any concealed conditions at the job site shall be to Buyer's account. Buyer shall hold Seller harmless for increased costs and grant any necessary schedule extensions if any concealed or hazardous conditions are found.
- (b) **Environmental Remediation.** Buyer acknowledges that Seller is not an expert in environmental remediation and shall not be directed by charge order or otherwise to perform any environmental remediation as part of the Services, including but not limited to asbestos and lead paint removal. If any environmental remediation becomes necessary, Buyer will contract directly with a qualified third party to perform such work.

## 17. TERMINATION

- (a) Buyer may terminate this Agreement upon breach by Seller of a material obligation hereunder and Seller's failure to cure, or to commence a cure of, such breach within a reasonable period of time (but not less than 30 days) following written receipt of notice of the same from Buyer.
- (b) Buyer may only terminate this Agreement for Buyer's convenience upon written notice to Seller and upon payment to Seller of Seller's termination charges, which shall be specified to Buyer and shall take into account among other things expenses (direct and indirect) incurred and commitments already made by Seller and an appropriate profit, provided, that in no event shall Seller's termination charges be less than 25% of the contract price.
- (c) Seller shall have the right to suspend and/or terminate its obligations under this Agreement if payment is not received within 30 days of due date. In the event of the bankruptcy or insolvency of Buyer or in the event of any bankruptcy or insolvency proceeding brought by or against Buyer, Seller shall be entitled to terminate any order outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its cancellation charges.

## 18. CONFIDENTIALITY

Buyer acknowledges that the information that Seller submits to Buyer in connection with this Agreement and the performance hereof includes Seller's confidential and proprietary information, both of a technical and commercial nature. Buyer agrees not to disclose such information to third parties without Seller's prior written consent. Seller grants to Buyer a non-exclusive, royalty-free, perpetual, non-transferable license to use Seller's confidential and proprietary information for the purpose of the installation, operation, maintenance and repair of the Products that are the subject hereof only. Buyer further agrees not to, and not to permit any third party to, analyze, measure the properties of, or otherwise reverse engineer the Products, fabricate the Products or any parts thereof from Seller's drawings or to use the drawings other than in connection with this Agreement. Buyer will defend and indemnify Seller from any claim, suit or liability based on personal injury (including death) or property damage related to any Product or part thereof which is fabricated by a third party without Seller's prior written consent and from and against related costs, charges and expenses (including attorneys' fees). All copies of Seller's confidential and proprietary information shall remain Seller's property and may be reclaimed by Seller at any time in the event Buyer is in breach of its obligations under this Paragraph.

## 19. END USER

If Buyer is not the end user of the Products sold hereunder (the "End User"), then Buyer will use its best efforts to obtain the End User's written consent to be bound to Seller by the provisions hereof. If Buyer does not obtain such End User's consent, Buyer shall defend and indemnify Seller and Seller's agents, employees, subcontractors and suppliers from any action, liability, cost, loss, or expense for which Seller would not have been liable or from which Seller would have been indemnified if Buyer had obtained such End User's consent.

## 20. FORCE MAJEURE

- (a) **Force Majeure Defined.** For the purpose of this Agreement "Force Majeure" will mean all events, whether or not foreseeable, beyond the reasonable control of either party which affect the performance of this Agreement, including, without limitation, acts of God, acts or omissions of governmental or quasi-governmental authorities, laws or regulations, strikes, lockouts or other industrial disturbances, acts of public enemy, wars, insurrections, riots, epidemics, pandemics, outbreaks of infectious disease or other threats to public health, lightning, earthquakes, fires, storms, severe weather, floods, sabotage, delays in transportation, rejection of main forgings and castings, lack of available shipping by land, sea or air, lack of dock/lighterage or loading or unloading facilities, inability to obtain labor or materials from usual sources, serious accidents involving the work of suppliers or sub-suppliers, thefts and explosions.
- (b) **Suspension of Obligations.** If either Buyer or Seller is unable to carry out its obligations under this Agreement due to Force Majeure, other than the obligation to make payments due hereunder, and the party affected promptly notifies the other of such delay, then all obligations that are affected by Force Majeure will be suspended or reduced for the period of Force Majeure and for such additional time as is required to resume the performance of its obligations, and the delivery schedule will be adjusted to account for the delay.
- (c) **Option to Terminate.** If the period of suspension or reduction of operations will extend for more than four (4) consecutive months or periods of suspension or reduction total more than 6 months in any 12 month period, then either Buyer or Seller may terminate this Agreement.
- (d) **Strikes On-Site.** Notwithstanding anything herein to the contrary, in the event a strike, lockout, labor union or other industrial disturbance at Buyer's site affects, delays, disrupts or prevents Seller's performance of this Agreement, Seller shall be entitled to a Change Order containing an appropriate adjustment in the contract price and delivery schedule.

## 21. INDEMNIFICATION AND INSURANCE

- (a) **Indemnification.** Seller agrees to defend and indemnify Buyer from and against any third-party claim for bodily injury or damage to tangible property ("Loss") arising in connection with the Products or the Services provided by Seller hereunder, but only to the extent such Loss has been caused by the negligence, willful misconduct or other legal fault ("Fault") of Seller. Buyer shall promptly tender the defense of any such third-party claim to Seller. Seller shall be entitled to control the defense and resolution of such claim, provided that Buyer shall be entitled to be represented in the matter by counsel of its choosing at Buyer's sole expense. Where such Loss results from the Fault of both Seller and Buyer or a third party, then Seller's defense and indemnification obligation shall be limited to the proportion of the Loss that Seller's Fault bears to the total Fault.
- (b) **Insurance.** Seller shall maintain commercial general liability insurance with limits of \$2,000,000 per occurrence and in the aggregate covering claims for bodily injury (including death) and physical property damage arising out of the Products or Services. Seller shall also provide workers' compensation insurance or the like as required by the laws of the jurisdiction where the Services will be performed, and owned and non-owned auto liability insurance with limits of \$1,000,000 combined single limit. Seller will provide a Certificate of Insurance certifying the existence of such coverages upon request.

## 22. GENERAL

- (a) Seller represents that any Products or parts thereof manufactured by Seller will be produced in compliance with all applicable federal, state and local laws applicable to their manufacture and in accordance with Seller's engineering standards. Seller shall not be liable for failure of the Products to comply with any other specifications, standards, laws or regulations.
- (b) This Agreement shall inure only to the benefit of Buyer and Seller and their respective successors and assigns. Any assignment of this Agreement or any of the rights or obligations hereunder, by either party without the written consent of the other party shall be void.
- (c) This Agreement contains the entire and only agreement between the parties with respect to the subject matter hereof and supersedes all prior oral and written understandings between Buyer and Seller concerning the Products, Services and any prior course of dealings or usage of the trade not expressly incorporated herein.
- (d) This Agreement may be modified, supplemented or amended only by a writing signed by an authorized representative of Seller. Seller's waiver of any breach by Buyer of any terms of this Agreement must also be in writing and any waiver by Seller or failure by Seller to enforce any of the terms and conditions of this Agreement at any time, shall not affect, limit or waive Seller's right thereafter to enforce and compel strict compliance with every term and condition hereof.
- (e) All terms of this Agreement which by their nature should apply after the cancellation, completion or termination of this Agreement shall survive and remain fully enforceable after any cancellation, completion or termination hereof.
- (f) (i) If Seller's office is located in the United States, this Agreement and the performance hereof will be governed by and construed according to the laws of the State of Georgia (i). If Seller's office is located in Canada, this Agreement and the performance hereof will be governed by and construed according to the laws of the Province of New Brunswick.
- (g) (i) In the circumstances of (f) above, any controversy or claim arising out of or relating to this Agreement, or the breach hereof, or to the Products or the Services provided pursuant hereto, shall be definitively settled by arbitration, to the exclusion of courts of law, administered by the American Arbitration Association ("AAA") in accordance with its Construction Industry Arbitration Rules in force at the time this Agreement is signed and to which the parties declare they will adhere (the "AAA Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction over the party against whom enforcement is sought or having jurisdiction over any of such party's assets. The arbitration shall be conducted in Atlanta, Georgia by a panel of three members, one of whom will be appointed by each of Buyer and Seller and the third of whom will be the chairman of the panel and will be appointed by mutual agreement of the two party appointed arbitrators. All arbitrators must be persons who are not employees, agents, or former employees or agents of either party. In the event of failure of the two party appointed arbitrators to agree within 45 days after submission of the dispute to arbitration upon the appointment of the third arbitrator, the third arbitrator will be appointed by the AAA in accordance with the AAA Rules. In the event that either of Buyer or Seller fails to appoint an arbitrator within 30 days after submission of the dispute to arbitration, such arbitrator, as well as the third arbitrator, will be appointed by the AAA in accordance with the AAA Rules. (ii) In the circumstances of (f) above, any controversy or claim arising out of or relating to this Agreement, or the breach hereof, or to the Products or the Services provided pursuant hereto, shall be definitively settled under the auspices of the Canadian Commercial Arbitration Centre ("CCAC"), by means of arbitration and to the exclusion of courts of law, in accordance with its General Commercial Arbitration Rules in force at the time the Agreement is signed and to which the parties declare they will adhere (the "CCAC Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction over the party against whom enforcement is sought or having jurisdiction over any of such party's assets. The arbitration shall be conducted in Saint John, New Brunswick by a panel of three arbitrators, one of whom will be appointed by each of Buyer and Seller and the third of whom will be the chairman of the arbitral tribunal and

ANDRITZ Separation Inc.  
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Arlington, TX 76001 USA

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Remit to:  
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Dept: 0312  
P.O. Box 120312  
Dallas, TX 75312-0312  
Federal Tax ID Number: 59-3773483

Wire instructions:  
Nordea Bank Finland PLC  
New York Branch  
SWIFT: NDEAUS3N  
Account: 8879433001  
ABA: 026010786



Our quote no: **20524676**

will be appointed by mutual agreement of the two party-appointed arbitrators. All arbitrators must be persons who are not employees, agents, or former employees or agents of either party. In the event of failure of the two party-appointed arbitrators to agree within 45 days after submission of the dispute to arbitration upon the appointment of the third arbitrator, the third arbitrator will be appointed by the CCAC in accordance with the CCAC Rules. In the event that either of Buyer or Seller fails to appoint an arbitrator within 30 days after submission of the dispute to arbitration, such arbitrator, as well as the third arbitrator, will be appointed by the CCAC in accordance with the CCAC Rules.  
(n) In the event this Agreement pertains to the sale of any goods outside the United States or Canada, the parties agree that the United Nations Convention for the International Sale of Goods shall not apply to this Agreement.  
(i)The parties hereto have required that this Agreement be drawn up in English. Les parties aux présentes ont exigé que la présente convention soit rédigée en anglais.

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Please do not hesitate to contact us if you require further information.

Yours sincerely

**Andritz Separation Inc.**



## ATTACHMENT

### ***Design Criteria: Oak Lodge Water Service, Oak Grove, OR; Addition of 1.5M Belt Filter Press Control System and Existing BFP/GBT Control System Upgrade***

The Oak Lodge plant has acquired a used ANDRITZ 1.5m SMX-S8 Belt Filter Press (BFP2) and plan to install on a trailer for back up to the existing BFP dewatering system, BFP1. To use BFP2, a new control panel will be provided for motor starters and VFD for the Main Belt Drive, Wash Water Booster Pump, Air Compressor and Conveyor. In addition, a pneumatic control panel for belt tensioning and tracking will be provided, and integration into the existing BFP1 control system for control of the existing Polymer Feed Pump, Sludge Feed Pump and Grinder will be required.

The existing BFP/GBT Control System utilizes AB SLC 500 PLC and AB Classic Operator Interface Terminal (OIT) that are out dated and obsolete. The Oak Lodge Plant is interested in upgrading the PLC and OIT platform to the AB ControlLogix's Platform. ANDRITZ recommends the CompactLogix PLC system and the AB PanelView Plus 7 OIT with Ethernet/IP communication.

ANDRITZ will provide two proposals for the Dewatering Control System work:

**Option 1:** Provide BFP2 Electric and Pneumatic Control Panels for installation by others on the BFP2 trailer or in a location near the trailer, TBD by customer. For the existing BFP 1 control system ANDRITZ will provide a new PLC and OIT components, Engineering design, documentation and programming. Provide Service Engineer on site time to upgrade BFP1 PLC / OIT, perform functional test and start-up of both BFP systems. The new PLC / OIT program will be upgraded to provide for selection of which BFP will be interlocked with the polymer feed system, sludge grinder and sludge feed system through Ethernet link between the control panels. The existing BFP1 will be the master control panel and must be in operation for either BFP system to operate. The BFP2 Control Panel will also have OIT for local control of BFP2 and ancillary components only when selected. The wiring of power and control on the trailer will be done by others to terminal box or control panel. The trailer mounted components will be connected by industrial watertight plugs and receptacles.

**Option 2:** Provide BFP2 Electric and Pneumatic Control Panels for installation by others on the BFP2 trailer or in a location near the trailer, TBD by customer. For the existing BFP 1 control system ANDRITZ will revise the existing PLC/OIT programs. Provide Service Engineer on site time to program BFP1 existing PLC / OIT, perform functional test and start-up of both BFP systems. The existing PLC / OIT program will be revised to provide for selection of which BFP will be interlocked with the polymer and sludge feed system through Ethernet link between the control panels. The existing BFP1 is the master control panel and must be in operation for either BFP system to operate. The BFP2 Control Panel will also have an OIT for local control of BFP2 and ancillary components only when selected. The wiring of power and control on the trailer will be done by others to terminal box or control panel. The trailer mounted components will be connected by industrial watertight plugs and receptacles.



Note: ANDRITZ will not be held responsible for any existing BFP1 PLC /OIT component failure or warranty replacement during this work or during warranty period for the new control panels supplied.

The new BFP control system will provide the same functionality and controls as currently provided.

**Scope of Supply:**

ANDRITZ will supply control panels, components, engineering design / documentation, new As Built drawings or redline of existing system drawings, PLC/OIT programming, and on-site service for installation and wiring inside of BFP control panels, functional testing and start-up of both BFP systems.

**Option 1 & 2: BFP Control Panel (BFPCP2), BFP Pneumatic Panel (BFPPP2)**

The BFPCP2 will be a NEMA 4X, 304 stainless steel enclosure approximately 40x72x18 inches in size. The panel will include main circuit breaker disconnect with flange mounted operator handle, main drive VFD, air compressor motor starter, wash water booster pump motor starter , portable conveyor motor starter, PLC system, Ethernet switch, control relays, power supplies, terminals, and all miscellaneous components required. The door will include system control power selector switch, emergency stop pushbutton and 10" color Touchscreen Operator Interface Terminal (OIT) with sun shield.

The BFPPP2 will be a NEMA 4X, 304 stainless steel, wall mount enclosure, (can be mounted on BFP2 or on platform) approximately 24x24x8 inches in size for mounting on the side of the BFP. The panel will include pneumatic controls for the top and bottom belt tensioner and belt tracking. Major components will consist of door mounted pressure gauge, control valve and pressure regulator. Air loss pressure switches will be mounted inside the enclosure. Mounted on the side of the enclosure will be Filter / Regulator / Lubricator with 3/8" OD compression fitting for main air and 3/8" bulkhead compression fittings for connection to machine components.

All control panel assemblies will be U.L. 508 listed.

**Option 1:**

The existing BFP1 /GBT control panel will be upgraded and provided with new AB Compactlogix's system including power supply, L33ER CPU, required I/O cards and Ethernet switch. The OIT will be upgraded to AB PanelView Plus7, 12", color touchscreen. The program will be revised to include existing controls for the BFP1 / GBT and the addition of BFP2 selection, monitoring and control.

**Option 2:** The existing BFP1/GBT control panel PLC and OIT programs will be revised to incorporate the selection and control of new BFP2 system and interlock with polymer feed, sludge feed and grinder.

## Major Components:

### BFPCP2 - Control Panel (Option 1 & 2)

- Hoffman or equal NEMA 4X, 304 stainless steel enclosure, free standing
- SqD or equal main circuit breaker disconnect
- AB PowerFlex 525 VFD for Main Belt Drive
- AB IEC motor starters for air compressor, wash water booster pump, conveyor
- Bussman power fuses
- Control Voltage Transformer, Surge Suppressor
- AB CompactLogix PLC with required power supply, L33ER CPU, I/O, and Ethernet communication
- AB PanelView Plus 7, 12" color touchscreen
- Allowance included for watertight power and control plugs and receptacles, TBD

### BFPPP2 – Pneumatic Panel (Option 1 & 2)

- Hoffman or equal NEMA 4X, 304 stainless steel enclosure, wall mount
- Span 2.5" pressure gauges
- SMC, 2 position control valves
- Norgren pressure regulators
- SqD pressure switches

### PLC/OIT Upgrade BFP1/GBT Control Panel (Option 1)

- AB CompactLogix PLC, L33ER CPU, with power supply and required I/O
- AB PanelView Plus 7, 12" color touchscreen
- AB 24VDC Power Supply
- AB Ethernet Switch or equal

### Engineering services provided

- Electrical drawings –control panel layout, schematics, point to point wiring detail.
- Bill of Material of new components
- Annotated PLC code / OIT application code
- PLC data exchange table tag list.
- Operating and maintenance manuals for new components.
- Coordination with Plant Wide Control System integrator for remote control and monitoring.
- Coordination with electrical contractor for removal and installation of control panels.
- All documentation and programs to be provided in electronic format.



### Site Work

ANDRITZ will provide Service Engineer for installation and wiring of components inside BFP control panels, system functional testing and start-up of both BFP units and GBT system.

- One (1) trip, five (5) days on site for option 1 installation, functional testing and start-up of system

Additional time required due to delays outside of ANDRITZ control or request for additional programming will be charged per the attached Field Service Policy and Rate Sheet.

### Spares

- No Spares included in this proposal.

### Software

- No Software included in this proposal.

### Shipping

- Shipping of components to site is included, off loading and storage is by customer.

### Warranty

- Warranty of supplied components is per the attached ANDRITZ Terms & Conditions.

### **Scope Not Included in ANDRITZ Price: (To be provided by others)**

- v Disposal of obsolete equipment.
- v Trailer or field wiring and plumbing modifications outside of BFP control panels
- v Civil and structural engineering work including preparation of foundations, platforms, and channels
- v Building modifications
- v All utilities required for operation
- v Cranes or other lifting devices
- v Unloading at site and on site storage if required
- v Components and other instruments not specified in our scope of supply



***Additional Information:***

- The components will be shipped to customer site. Customer to provide off loading and temporary storage.
- Customer to provide the services of I&C Engineer for Data exchange tag list if PLC communication is required and coordination during ANDRITZ engineering program development and during on-site functional testing phase for system check out.

**Contact Support for This Proposal:**

**Will Murphy at (817) 504-7910 / will.murphy@andritz.com – Local Area Service Sales Manager**

**Jeff Congleton at (817) 419-1753 / jeff.congleton@andritz.com – Service Automation Product Specialist**

**Ryan Schmidt at (817) 375-4409 / ryan.schmidt@andritz.com – Electrical Project Engineer / Coordinator**

**Appraisal**



**2018 FIELD SERVICE POLICY AND RATE SHEET**

**Installation and Start-up Assistance**

All the equipment furnished by ANDRITZ Separation Inc. shall be installed and started up by, and at the expense of the purchaser. There is available, however, upon the request of the purchaser, the service of ANDRITZ Separation Inc. field service personnel for consultation and advice in the installation and start-up of ANDRITZ Separation Inc. equipment. This service is provided with the understanding that ANDRITZ Separation Inc. will function only as technical consultants and coordinators in an advisory capacity, and shall have no responsibility for the supervision or the quality of workmanship of such an installation and/or start-up. Such responsibility will be that of the purchaser.

Certain types of ANDRITZ Separation Inc. equipment, such as that with mechanical seals, require the check out of the equipment by experienced field personnel before the equipment is put into operation. In these instances, the equipment is so tagged upon time of shipment. The failure to have proper mechanical check out by ANDRITZ Separation Inc. field personnel will void our mechanical warranty. For the check out, power and all necessary utilities for the operation of equipment must be available.

**Service Rates (Rates/Pricing are in US currency)**

Service Rates are applicable for all the time the field service employee spends on the job. This includes traveling to or from either our designated plant or point of residence of the employee. Any holdover time, i.e. time where the employee is required to stay on the job site because time does not permit travel home, or for the convenience of the customer, shall be at regular rates, listed below:

<b>Description</b>	<b>Standard Hourly Rates</b>	<b>Overtime Hourly Rates</b>
<b>Work:</b>		
Weekday	\$175.00 (Up to 8 hrs)	\$262.50 (Over 8 hrs)
Saturday	\$262.50 (Up to 8 hrs)	\$262.50 (Over 8 hrs)
Sunday	\$350.00 (Up to 8 hrs)	\$350.00 (Over 8 hrs.)
Holidays	\$350.00 (Up to 8 hrs)	\$350.00/ hr. up to 4 hrs
<b>Travel:</b>		
Weekday	\$120.00 (Up to 8 hrs)	\$262.50 (Over 8 hrs)
Saturday	\$180.00 (Up to 8 hrs)	\$262.50 (Over 8 hrs)
Sunday	\$240.00 (Up to 8 hrs)	\$350.00 (Over 8 hrs.)
Holidays	\$240.00 (Up to 8 hrs)	\$350.00/ hr. up to 4 hrs

### **Travel & Holiday Service**

If travel and work requirements carry through weekends and holidays, the premium rates above will be charged. (For example, if a customer requires field service personnel to be on site early Monday, necessitating the need to travel Sunday or a Holiday, the Sunday/Holiday rate will be charged. If work continues through a weekend and/or holiday, the Sunday/Holiday rate will be charged.)

### **Cancellation Notice**

In an effort to keep costs down for our customers, service personnel will book advanced, non-refundable tickets as quickly as possible after the request for service is received. This is a conscientious effort to keep costs to the customer, for air travel, as low as possible. If such expenses have been incurred in good faith, and the customer must cancel, we must invoice for those expenses to be fairly reimbursed.

### **Other Considerations**

Because our Field Service employees are away from home for extended periods for most of the year, we feel they should be with their families over the Christmas and New Year holidays. Except for breakdowns or comparable and equally critical service requirements, our personnel are not available at these times.

When our field service personnel travel international and required on site for periods in excess of four weeks, they are allowed to return home to be with their families. The allowable time period is determined on a case-to-case basis. The cost only of transportation to the employee's home and return will be included with the service charges.

It is required that our service personnel have single rooms in first class hotel or motel accommodations where these are available. The charges for all living and travel expense will be for the account of the customer. Travel, if by public conveyance or rented automobile, will be at cost. Travel, if by employee-owned or company owned automobile will be at the rate of US \$ 0.54.5 per mile plus all toll and parking charges. A 15% administrative fee will apply only to travel and living expenses incurred.

It is the responsibility of the purchaser to provide for all necessary permits, clearances, visas, and other pertinent information required for our personnel to travel to the job site. In the event that public facilities are not available near the job site, it is the purchaser's responsibility to provide the equivalent of first class facilities in single rooms for our personnel at the site. For overseas jobs intended to be of an extended duration in excess of thirty (30) days, special arrangements will be negotiated immediately (and prior to the requirement for personnel to be at the job site) with regard to visits home with their families.

### **Service Requirement Notification**

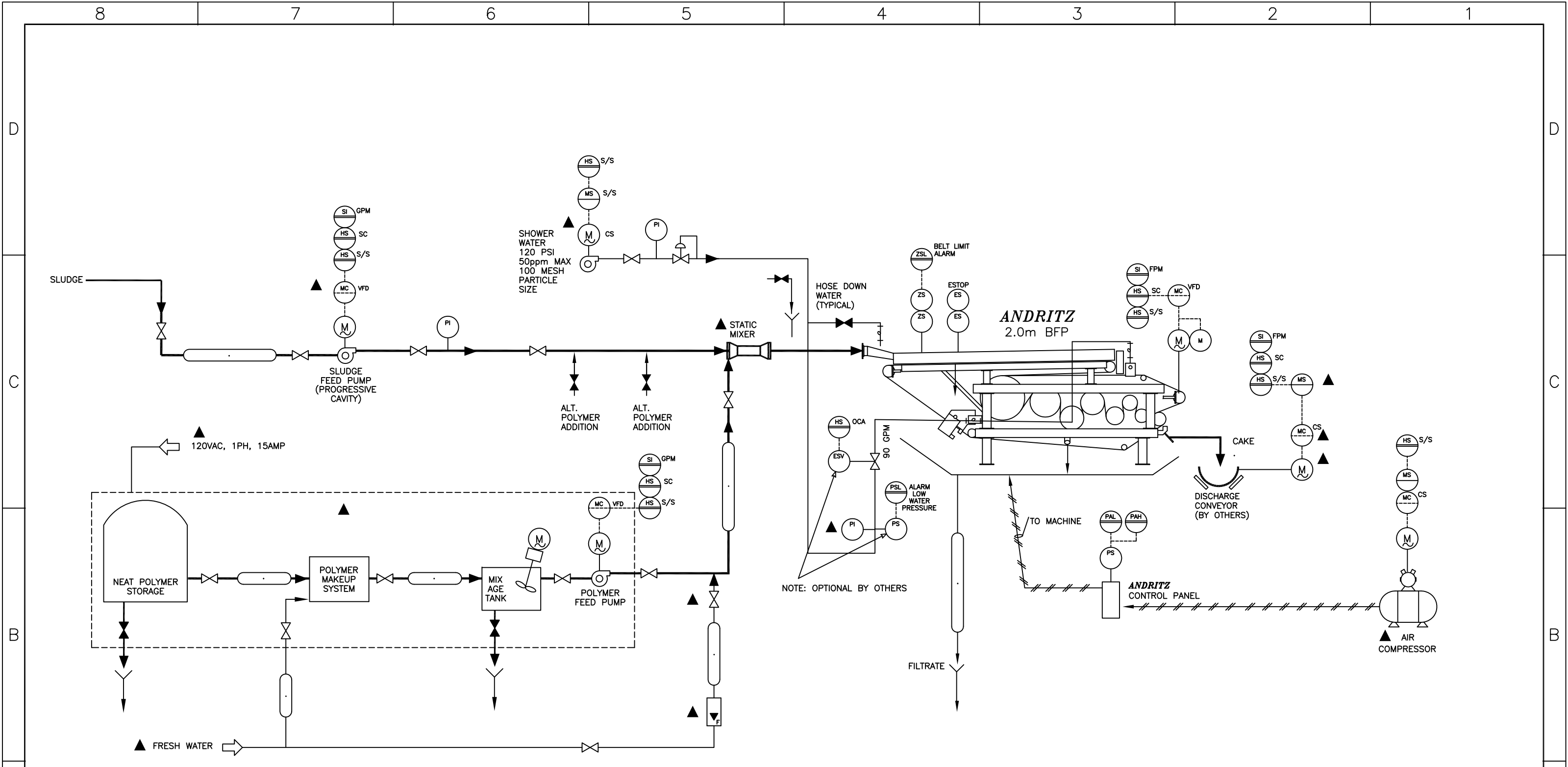
Our objective is to provide the best service possible. Experience has proven that one of the best ways to accomplish this is for our employees to arrive on the job site when they are needed - but not before. Our personnel are in short supply from time to time and personnel with the special skills you may require may not be available on short notice. We request, therefore, that for projects requiring extended service (in excess of thirty (30) days) and/or special skills, ANDRITZ Separation Inc. be given at least sixty (60) days notice as to when field service personnel are required on site. We also ask that this be confirmed within fourteen (14) days of the start of their services. In other instances, for a shorter duration of service, we request that at least a minimum of ten (10) days notice be given prior to requirement of our service personnel. After receipt of such advance notice, while we endeavor to comply with all requested time schedules, purchaser should be aware that on rare occasions we may not be able to meet all demands immediately. Negotiations will continue until the best schedule is attained. In the event that emergencies arise, we will work to meet the customers' needs as quickly and as completely as possible.

**Please Note:** If time is scheduled and the customer must cancel on short notice, there is no guarantee of the immediate availability of field service personnel for rescheduling.

### **Insurance & Warranty**

ANDRITZ Separation Inc. service personnel are fully covered by Worker's Compensation Insurance. ANDRITZ Separation Inc. makes no warranty either express or implied or by trade usage in connection with the services of its field personnel and shall have no liability direct, indirect or for any loss, damage, injury or expense resulting from or arising out of their services other than by reason of their negligence, and in no event for consequential injury or damage or for any amount in excess of the cost of repair or replacement of specific part damaged by their negligence

Rev -01\_5\_2017



- LEGEND**
- SI - SPEED INDICATOR
  - HS - HAND SWITCH
  - MC - MOTOR CONTROL
  - MS - MOTOR STARTER
  - ZS - POSITION SWITCH
  - ES - EMERGENCY STOP
  - ESV - ELECTRICAL SOLENOID VALVE
  - ▲ - SUPPLIED BY OTHERS

THIS DRAWING IS A TRADE SECRET AND ONLY ENTRUSTED TO THE RECEIVER FOR HIS PERSONAL USE. WITHOUT THE SIGNED WRITTEN CONSENT OF ANDRITZ-RUTHNER, INC., IT MUST NOT BE COPIED, REPRODUCED, OR MADE AVAILABLE TO THIRD PARTIES, INCLUDING COMPETITORS, NOR MADE ACCESSIBLE TO SUCH PARTIES. ANY ILLEGAL USE BY THE RECEIVER OR THIRD PARTIES FOR WHICH HE IS RESPONSIBLE CAN CONSTITUTE A CAUSE FOR LEGAL ACTION. THIS DRAWING MUST BE RETURNED ON REQUEST OF THE COMPANY.

PRELIMINARY DWGS.  
FOR REFERENCE ONLY

ESTIMATED WEIGHT IN LBS:	DRAWN BY: RLS	DATE 8/7/17
UNLESS OTHERWISE SPECIFIED: DIMENSIONS ARE IN INCHES	CHECKED BY: JLC	DATE 8/7/17
FABRICATION TOLERANCES .XXX±.040 ANG±1° HOLE±.020	APPROVED BY: JLC	DATE 8/7/17
MACHINING TOLERANCES .XXX±.005 ANG±.5° HOLE±.020	THIRD ANGLE PROJECTION	
MILL FINISH ALL OVER		

**ANDRITZ**  
ANDRITZ-RUTHNER, INC.  
1010 COMMERCIAL BLVD., SOUTH  
ARLINGTON, TEXAS 76001  
PHONE: (817) 465-5611

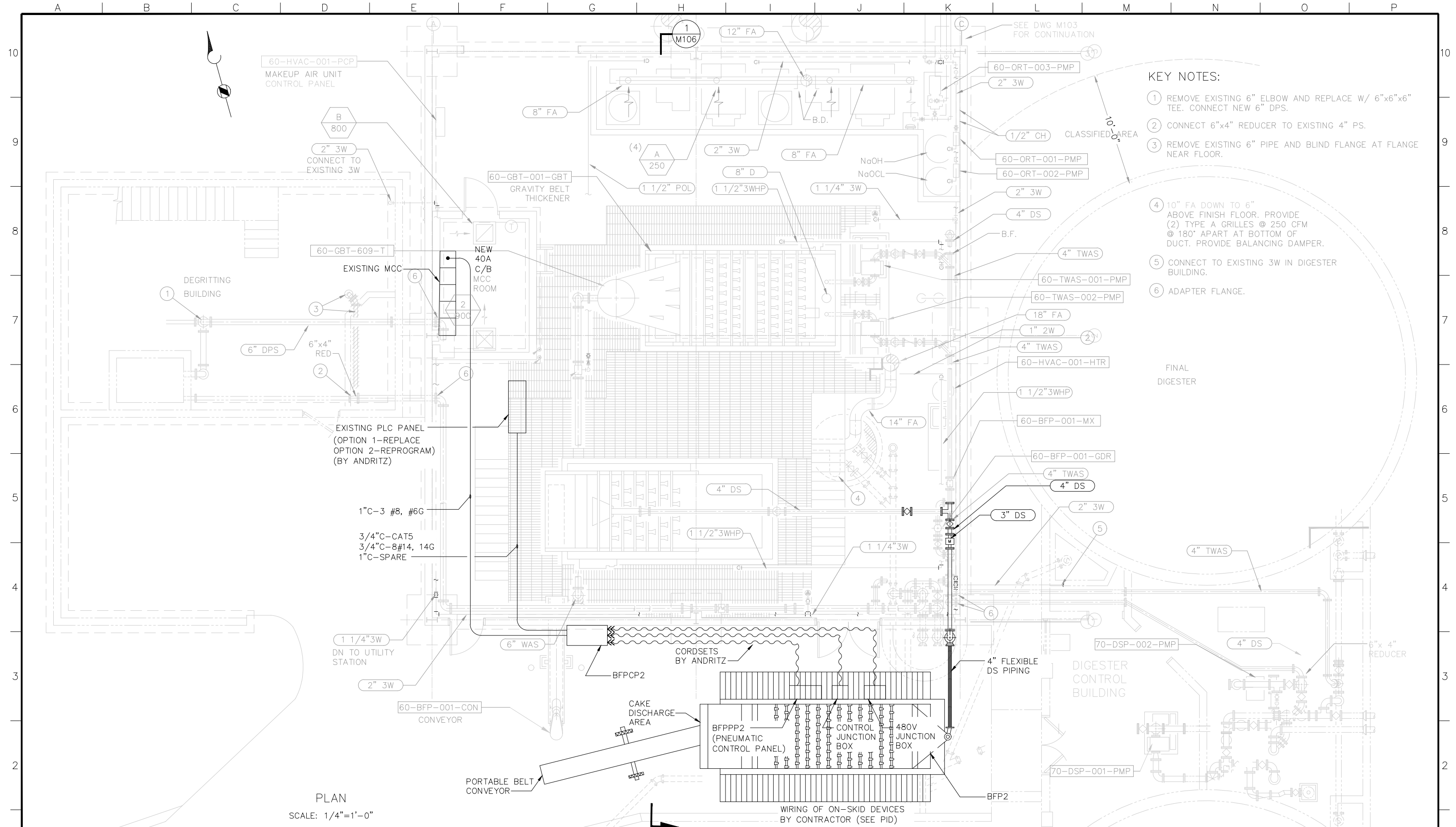
TITLE OAK LODGE BELT FILTER PRESS P&ID		REV 0
SIZE B	DRAWING NUMBER E-*****-PID	FILE E-B76638-PID
SCALE NONE	SHEET 1 OF 1	

REV	EIR	REVISION	BY	APVD	DATE

## **Attachment B: Preliminary Design Drawings**

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- KEY NOTES:**
- 1 REMOVE EXISTING 6" ELBOW AND REPLACE W/ 6"x6"x6" TEE. CONNECT NEW 6" DPS.
  - 2 CONNECT 6"x4" REDUCER TO EXISTING 4" PS.
  - 3 REMOVE EXISTING 6" PIPE AND BLIND FLANGE AT FLANGE NEAR FLOOR.
  - 4 10" FA DOWN TO 6" ABOVE FINISH FLOOR. PROVIDE (2) TYPE A GRILLES @ 250 CFM @ 180" APART AT BOTTOM OF DUCT. PROVIDE BALANCING DAMPER.
  - 5 CONNECT TO EXISTING 3W IN DIGESTER BUILDING.
  - 6 ADAPTER FLANGE.

PLAN  
SCALE: 1/4"=1'-0"

**PRELIMINARY DRAWING  
NOT FOR  
CONSTRUCTION**

**BROWN AND CALDWELL**  
PORTLAND, OREGON

FILE 151530

DRAWN \_\_\_\_\_  
DESIGNED \_\_\_\_\_  
CHECKED \_\_\_\_\_  
CHECKED \_\_\_\_\_

SUBMITTED: \_\_\_\_\_ DATE: \_\_\_\_\_  
APPROVED: \_\_\_\_\_ DATE: \_\_\_\_\_  
APPROVED: \_\_\_\_\_ DATE: \_\_\_\_\_

ZONE	REV.	DESCRIPTION	BY	DATE	APP.



**OAK LODGE WATER SERVICES DISTRICT  
WASTEWATER TREATMENT PLANT  
BELT FILTER PRESS  
INSTALLATION PROJECT**

SOLIDS HANDLING BUILDING  
PLAN AT EL 50.0±

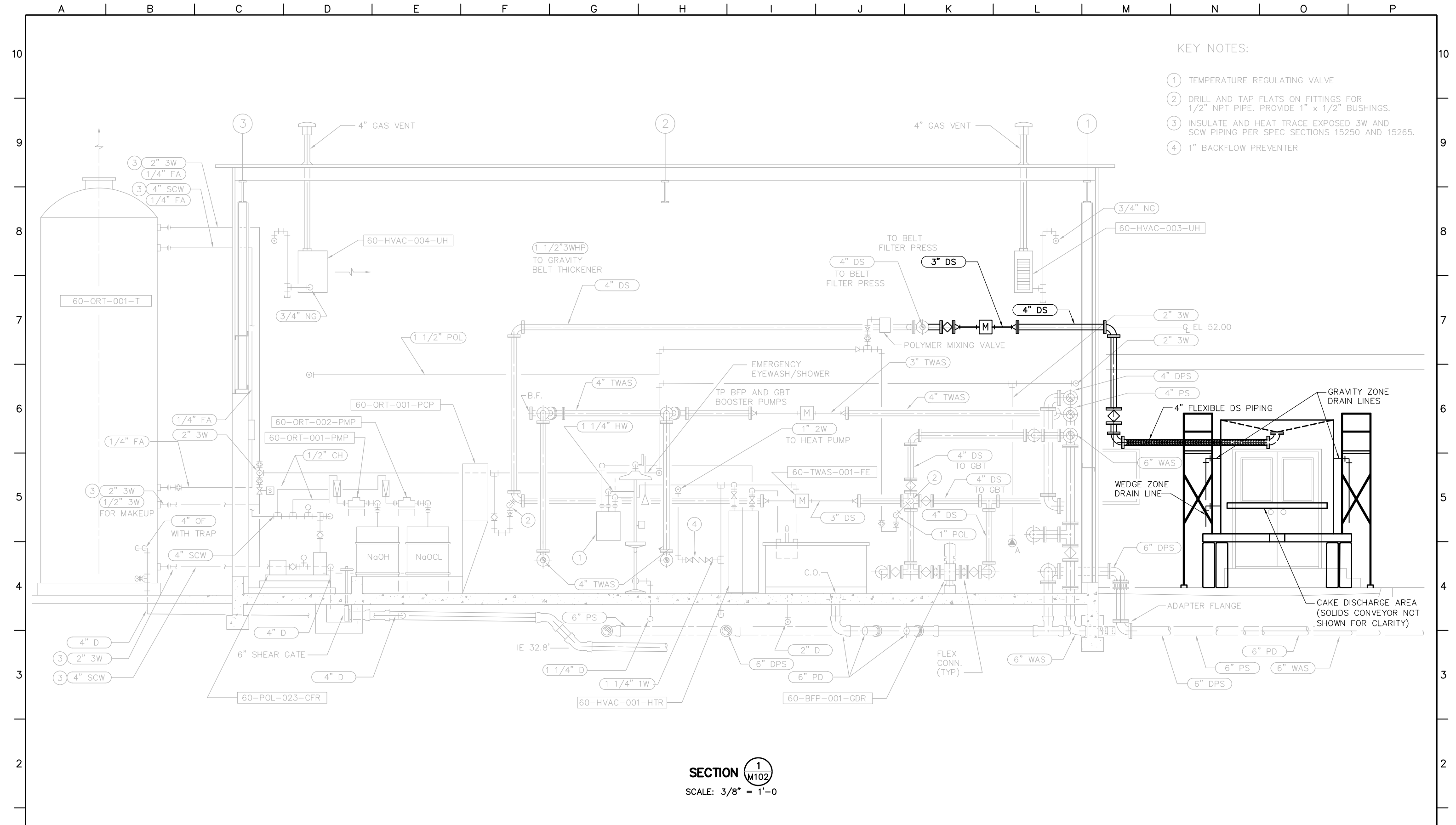
SCALE 1/4" = 1'-0"

DRAWING NUMBER M102

SHEET NUMBER of

REVISION 1

0000-000 MM-DD-YY BCC



- KEY NOTES:
- ① TEMPERATURE REGULATING VALVE
  - ② DRILL AND TAP FLATS ON FITTINGS FOR 1/2" NPT PIPE. PROVIDE 1" x 1/2" BUSHINGS.
  - ③ INSULATE AND HEAT TRACE EXPOSED 3W AND SCW PIPING PER SPEC SECTIONS 15250 AND 15265.
  - ④ 1" BACKFLOW PREVENTER

SECTION 1  
M102  
SCALE: 3/8" = 1'-0"

**BROWN AND CALDWELL**  
PORTLAND, OREGON

LINE IS 2 INCHES AT FULL SIZE  
(IF NOT 2"-SCALE ACCORDINGLY)

FILE 151530

DRAWN \_\_\_\_\_  
DESIGNED \_\_\_\_\_  
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CHECKED \_\_\_\_\_

**PRELIMINARY DRAWING NOT FOR CONSTRUCTION**

ZONE	REV.	DESCRIPTION	BY	DATE	APP.

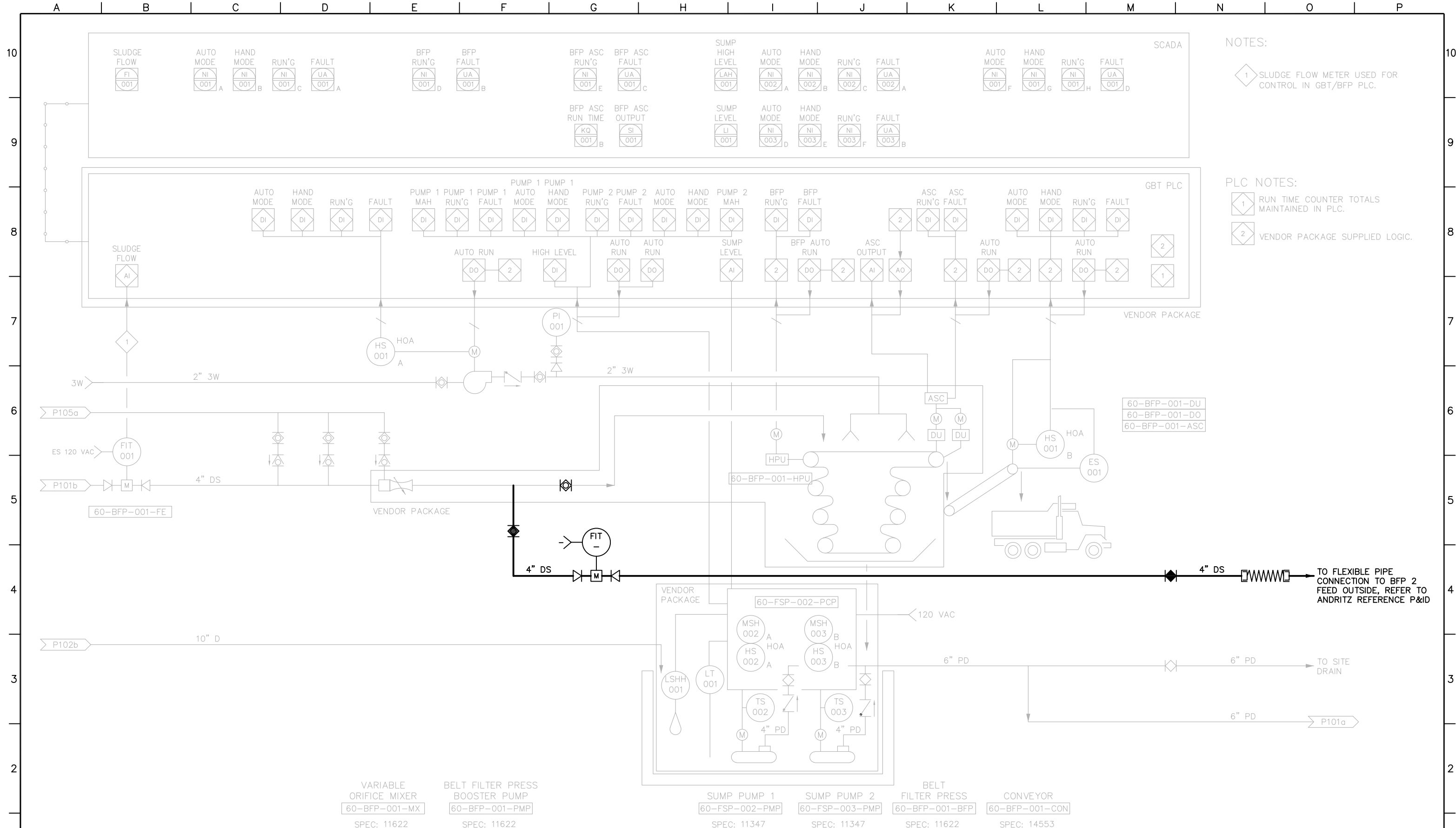


**OAK LODGE WATER SERVICES DISTRICT**  
**WASTEWATER TREATMENT PLANT**  
**BELT FILTER PRESS**  
**INSTALLATION PROJECT**

SOLIDS HANDLING BUILDING  
**SECTION**

SCALE 3/8"=1'-0"  
DRAWING NUMBER **M106**  
SHEET NUMBER of  
REVISION 1

17231 10-28-99 MDS



NOTES:  
 1 SLUDGE FLOW METER USED FOR CONTROL IN GBT/BFP PLC.

PLC NOTES:  
 1 RUN TIME COUNTER TOTALS MAINTAINED IN PLC.  
 2 VENDOR PACKAGE SUPPLIED LOGIC.

60-BFP-001-DU  
 60-BFP-001-DO  
 60-BFP-001-ASC

VARIABLE ORIFICE MIXER  
 60-BFP-001-MX  
 SPEC: 11622

BELT FILTER PRESS BOOSTER PUMP  
 60-BFP-001-PMP  
 SPEC: 11622

SUMP PUMP 1  
 60-FSP-002-PMP  
 SPEC: 11347

SUMP PUMP 2  
 60-FSP-003-PMP  
 SPEC: 11347

BELT FILTER PRESS  
 60-BFP-001-BFP  
 SPEC: 11622

CONVEYOR  
 60-BFP-001-CON  
 SPEC: 14553

17231P103 10-18-99 TD

**BROWN AND CALDWELL**  
 PORTLAND, OREGON

FILE 151530

LINE IS 2 INCHES AT FULL SIZE (IF NOT 2"-SCALE ACCORDINGLY)

DRAWN \_\_\_\_\_  
 DESIGNED \_\_\_\_\_  
 CHECKED \_\_\_\_\_  
 CHECKED \_\_\_\_\_

SUBMITTED: \_\_\_\_\_ DATE: \_\_\_\_\_  
 APPROVED: \_\_\_\_\_ DATE: \_\_\_\_\_  
 APPROVED: \_\_\_\_\_ DATE: \_\_\_\_\_

**PRELIMINARY DRAWING NOT FOR CONSTRUCTION**

ZONE	REV.	DESCRIPTION	BY	DATE	APP.

**OAK LODGE WATER SERVICES DISTRICT**  
**WASTEWATER TREATMENT PLANT**  
**BELT FILTER PRESS**  
**INSTALLATION PROJECT**

PROCESS AND INSTRUMENTATION DIAGRAM

**BELT FILTER PRESS**

SCALE NO SCALE

DRAWING NUMBER **P103**

SHEET NUMBER of REVISION



## **Attachment C: Preliminary Cost Estimate**

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## Basis of Estimate Report

# Oak Lodge Belt Filter Press Installation

## Introduction

Brown and Caldwell (BC) is pleased to present this opinion of probable construction cost (estimate) prepared for the Oak Lodge Belt Filter Press Installation in Portland, Oregon.

## Summary

This Basis of Estimate contains the following information:

- Scope of work
- Background of this estimate
- Class of estimate
- Estimating methodology
- Direct cost development
- Indirect cost development
- Bidding assumptions
- Estimating assumptions
- Estimating exclusions
- Allowances for known but undefined work
- Contractor and other estimate markups

## Scope of Work

The project consists of installing an existing Andritz belt filter press on a trailer. When needed, the trailer will be parked outside the existing Solids Handling Building and connected to the Solids Building PLC Control Panel. Two options are presented. Option 1 includes a new PLC Control Panel, supplied by Andritz. Option 2 includes reprogramming of the existing PLC Control Panel by Andritz.

## Background of this Estimate

The attached estimate of probable construction cost is based on documents dated June 20, 2018, received by the Estimating and Scheduling Group (ESG). These documents are described as 30 percent complete based on the current project progression, additional or updated scope and/or quantities, and ongoing discussions with the project team. Further information can be found in the detailed estimate reports.

## Class of Estimate

In accordance with the Association for the Advancement of Cost Engineering International (AACE) criteria, this is a Class 3 estimate. A Class 3 estimate is defined as a Project Budget Estimate or Funding Request Estimate. Typically, engineering is from 10 to 40 percent complete. Class 3 estimates are used to prepare

budget funding request or to evaluate design options and form the base work for the Class 2 Design Baseline or Control Estimate.

Expected accuracy for Class 3 estimates typically range from -20 to +30 percent, depending on the technological complexity of the project, appropriate reference information and the inclusion of an appropriate contingency determination. In unusual circumstances, ranges could exceed those shown.

## Estimating Methodology

This estimate was prepared using quantity take-offs, vendor quotes and equipment pricing furnished either by the project team or by the estimator. The estimate includes direct labor costs and anticipated productivity adjustments to labor and equipment. Where possible, estimates for work anticipated to be performed by specialty subcontractors have been identified.

Construction labor crew and equipment hours were calculated from production rates contained in documents and electronic databases published by R.S. Means, Mechanical Contractors Association (MCA), National Electrical Contractors Association (NECA), and Rental Rate Blue Book for Construction Equipment (Blue Book).

This estimate was prepared using BC's estimating system, which consists of Sage Construction and Real Estate 300 estimating software engine (formerly Timberline) using RS Means database, historical project data, the latest vendor and material cost information, and other costs specific to the project location.

## Direct Cost Development

Costs associated with the General Provisions and the Special Provisions of the construction documents, which are collectively referred to as Contractor General Conditions (CGC), were based on the estimator's interpretation of the contract documents. The estimates for CGCs are divided into two groups: a time-related group (e.g., field personnel) and non-time-related group (e.g., bonds and insurance). Labor burdens such as health and welfare, vacation, union benefits, payroll taxes, and worker's compensation insurance are included in the labor rates. No trade discounts were considered.

## Indirect Cost Development

A percentage allowance for contractor's home office expense has been included in the overall rate markups. The rate is standard for this type of heavy construction and is based on typical percentages outlined in Means Heavy Construction Cost Data.

The contractor's cost for builder's risk, general liability and vehicle insurance has been included in this estimate. Based on historical data, this is typically two to four percent of the overall construction contract amount. These indirect costs have been included in this estimate as a percentage of the gross cost, and are added after the net markups have been applied to the appropriate items.

## Bidding Assumptions

The following bidding assumptions were considered in the development of this estimate.

1. Bidders must hold a valid, current Contractor's credentials, applicable to the type of project.
2. Bidders will develop estimates with a competitive approach to material pricing and labor productivity, and will not include allowances for changes, extra work, unforeseen conditions or any other unplanned costs.
3. Estimated costs are based on a minimum of four bidders. Actual bid prices may increase for fewer bidders or decrease for a greater number of bidders.

4. Bidders will account for General Provisions and Special Provisions of the contract documents and will perform all work except that which will be performed by traditional specialty subcontractors as identified here: Electrical.

## Estimating Assumptions

As the design progresses through different completion stages, it is customary for the estimator to make assumptions to account for details that may not be evident from the documents. The following assumptions were used in the development of this estimate.

1. Contractor performs the work during normal daylight hours, nominally 7 a.m. to 5 p.m., Monday through Friday, in an 8-hour shift. No allowance has been made for additional shift work or weekend work.
2. Contractor has complete access for lay-down areas and mobile equipment.
3. Equipment rental rates are based on verifiable pricing from the local project area rental yards, Blue Book rates, and/or rates contained in the estimating database.
4. Contractor markup is based on conventionally accepted values that have been adjusted for project-area economic factors.
5. Major equipment costs are based on vendor supplied price quotes obtained by the project design team and/or estimators and on historical pricing of like equipment.
6. Process equipment vendor training using vendors' standard Operations and Maintenance (O&M) material is included in the purchase price of major equipment items where so stated in that quotation.
7. Bulk material quantities are based on manual quantity take-offs.
8. There is sufficient electrical power to feed the specified equipment. The local power company will supply power and transformers suitable for this facility.
9. The existing BFP is in good working order and will not require any repairs.
10. An elevated aluminum platform will be installed adjacent to the parking area for the BFP trailer.
11. No cover over the BFP will be provided.

## Estimating Exclusions

The following estimating exclusions were assumed in the development of this estimate.

1. Hazardous materials remediation and/or disposal.
2. O&M costs for the project except for the vendor supplied O&M manuals.
3. Utility agency costs for incoming power modifications.
4. Permits beyond those normally needed for the type of project and project conditions.

## Regarding 2018 Tariffs

Recent United States Federal policies and discussions surrounding tariffs on all imported steel, stainless steel, and aluminum and potentially other items can already have a potential impact on the costs of construction. Whether imported or US made products are being used, the discussion of, and imposition of, tariffs can impact pricing and availability of many construction components including, without limitation, pipes, electrical wiring and components, equipment, handrail/grating, as well as fees for equipment and materials rentals, and can also impact product lead times which may impact project schedules. In many cases, companies are already raising prices and increasing lead times to cover anticipated cost increases and material shortages.

While the above factors can have a substantial impact on project costs and project schedules, at this time, there is inadequate resolution of the issues and a lack of specific data to base a tariff-related contingency recommendation, and therefore none has been included in the cost estimate. Project owners, however, should consider their own separate contingency, both cost and time for their project, as they deem appropriate through internal consideration of these and other factors.

## Allowances for Known but Undefined Work

The following allowances were made in the development of this estimate.

1. Trailer modifications
2. Piping and valves and new washwater pump and compressor

## Contractor and Other Estimate Markups

Contractor markup is based on conventionally accepted values which have been adjusted for project-area economic factors. Estimate markups are shown in Table 1.

Table 1. Estimate Markups	
Item	Rate (%)
<b>Net Cost Markups</b>	
Labor (employer payroll burden)	15
Materials and process equipment	10
Equipment (construction-related)	10
Subcontractor	10
Material Shipping and Handling	2
<b>Gross Cost Markups</b>	
Contractor General Conditions	12
Start-up, Training and O&M	2
Construction Contingency	25
Builders Risk, Liability and Auto Insurance	2
Performance and Payment Bonds	1.5
Escalation to Midpoint of Construction	0

## Labor Markup

The labor rates used in the estimate were derived from RS Means latest national average wage rate tables and city cost indexes. These include base rate paid to the laborer plus fringes. A labor burden factor is applied to these such that the final rates include all employer paid taxes. These taxes are FICA (which covers social security plus Medicare), Workers Comp (which varies based on state, employer experience and history) and unemployment insurance. The result is fully loaded labor rates. In addition to the fully loaded labor rate, an overhead and profit markup is applied at the back end of the estimate. This covers payroll and accounting, estimator's wages, home office rent, advertising and owner profit.

These fully loaded national labor rates were then adjusted for local conditions using the RS Means City Cost Index Portland, Oregon.

### **Materials and Process Equipment Markup**

This markup consists of the additional cost to the contractor beyond the raw dollar amount for material and process equipment. This includes shop drawing preparation, submittal and/or re-submittal cost, purchasing and scheduling materials and equipment, accounting charges including invoicing and payment, inspection of received goods, receiving, storage, overhead and profit.

### **Equipment (Construction) Markup**

This markup consists of the costs associated with operating the construction equipment used in the project. Most GCs will rent rather than own the equipment and then charge each project for its equipment cost. The equipment rental cost does not include fuel, delivery and pick-up charges, additional insurance requirements on rental equipment, accounting costs related to home office receiving invoices and payment. However, the crew rates used in the estimate do account for the equipment rental cost. Occasionally, larger contractors will have some or all the equipment needed for the job, but to recoup their initial purchasing cost they will charge the project an internal rate for equipment use which is like the rental cost of equipment. The GC will apply an overhead and profit percentage to each individual piece of equipment whether rented or owned.

### **Subcontractor Markup**

This markup consists of the GC's costs for subcontractors who perform work on the site. This includes costs associated with shop drawings, review of subcontractor's submittals, scheduling of subcontractor work, inspections, processing of payment requests, home office accounting, and overhead and profit on subcontracts.

### **Contractor Startup, Training, and O&M Manuals**

This cost markup is often confused with either vendor startup or owner startup. It is the cost the GC incurs on the project beyond the vendor startup and owner startup costs. The GC generally will have project personnel assigned to facilitate the installation, testing, startup and O&M manual preparation for equipment that is put into operation by either the vendor or owner. These project personnel often include an electrician, pipe fitter or millwright, and/or I&E technician. These personnel are not included in the basic crew makeup to install the equipment but are there to assist and troubleshoot the startup and proper running of the equipment. The GC also incurs a cost for startup for such things as consumables (oil, fuel, filters, etc.), startup drawings and schedules, startup meetings and coordination with the plant personnel in other areas of the plant operation.

### **Builders Risk, Liability, and Vehicle Insurance**

This percentage comprises all three items. There are many factors which make up this percentage, including the contractor's track record for claims in each of the categories. Another factor affecting insurance rates has been a dramatic price increase across the country over the past several years due to domestic and foreign influences. Consequently, in the construction industry we have observed a range of 0.5 to 1 percent for Builders Risk Insurance, 1 to 1.25 percent for General Liability Insurance, and 0.85 to 1 percent for Vehicle Insurance. Many factors affect each area of insurance, including project complexity and contractor's requirements and history. Instead of using numbers from a select few contractors, we believe it is more prudent to use a combined 2 percent to better reflect the general costs across the country. Consequently, the actual cost could be higher or lower based on the bidder, region, insurance climate, and the contractor's insurability at the time the project is bid.

## **Material Shipping and Handling**

This can range from 2 to 6 percent, and is based on the type of project, material makeup of the project, and the region and location of the project. Material shipping and handling covers delivery costs from vendors, unloading costs (and in some instances loading and shipment back to vendors for rebuilt equipment), site paper work, and inspection of materials prior to unloading at the project site. BC typically adjusts this percentage by the amount of materials and whether vendors have included shipping costs in the quotes that were used to prepare the estimate. This cost also includes the GC's cost to obtain local supplies, e.g., oil, gaskets and bolts that may be missing from the equipment or materials shipped.

## **Escalation to Midpoint for Labor, Materials and Subcontractors**

In addition to contingency, it is customary for projects that will be built over several years to include an escalation to midpoint of anticipated construction to account for the future escalation of labor, material and equipment costs beyond values at the time the estimate is prepared. For this project, the anticipated rate of escalation is 3 percent per annum.

The estimated construction time for this project is 3 months, exclusive of unusual weather or site conditions delays. Construction is anticipated to start September 2018 and be completed by December 2018. Because the project will be constructed within a one-year timeframe of the date the estimate is prepared and the project duration is less than one year, escalation to midpoint of construction is not accounted for in this cost estimate

## **Undesigned/Undeveloped Contingency**

The contingency factor covers unforeseen conditions, area economic factors, and general project complexity. This contingency is used to account for those factors that cannot be addressed in each of the labor and/or material installation costs. Based on industry standards, completeness of the project documents, project complexity, the current design stage and area factors, construction contingency can range from 10 to 50 percent.

## **Performance and Payment Bonds**

Based on historical and industry data, this can range from 0.75 to 3 percent of the project total. There are several contributing factors including such items as size of the project, regional costs, contractor's historical record on similar projects, complexity and current bonding limits. BC uses 1.5 percent for bonds, which we have determined to be reasonable for most heavy construction projects.



Estimate Summary Report

6/21/2018 1:50 PM

Project Number: 151530-001-002  
Estimate Issue Number: 1  
Bid Date: 6/21/2018  
Estimator: Dummer, Catherine

**BELT FILTER PRESS INSTALLATION, 30% DESIGN**

**OAK LODGE WATER SERVICES DISTRICT  
BELT FILTER PRESS INSTALLATION, 30% DESIGN  
CLASS 3 ESTIMATE**

<b>Estimator</b>	Dummer, Catherine
<b>BC Project Manager</b>	Heather Lough
<b>BC Office</b>	Portland
<b>Estimate Issue No.</b>	1
<b>BC Estimate Number</b>	151530-001-002
<b>Notes</b>	<b>PROCESS LOCATION/AREA INDEX</b>

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Estimate Summary Report

6/21/2018 1:50 PM

Project Number: 151530-001-002  
Estimate Issue Number: 1  
Bid Date: 6/21/2018  
Estimator: Dummer, Catherine

**BELT FILTER PRESS INSTALLATION, 30% DESIGN**

Estimate Breakdown	Takeoff Quantity	Grand Total Unit Price	Gross Total Cost w/Markups
<b>01 OPTION 1: NEW CONTROL PANELS AND NEW PLC</b>			
01 Belt Filter Press Installation and Associated Equipment			133,090
02 Pipe, Valves, and Flow Meter			27,874
03 Andritz Scope of Supply			115,835
04 Electrical Subcontractor			104,748
<b>01 OPTION 1: NEW CONTROL PANELS AND NEW PLC</b>			<b>381,547</b>
<b>02 OPTION 2: NEW CONTROL PANELS AND REVISED PLC PROGRAMMING</b>			
01 Belt Filter Press Installation and Associated Equipment			133,090
02 Pipe, Valves, and Flow Meter			27,874
03 Andritz Scope of Supply			91,008
04 Electrical Subcontractor			100,719
<b>02 OPTION 2: NEW CONTROL PANELS AND REVISED PLC PROGRAMMING</b>			<b>352,691</b>

# Scope of Work

## Oak Lodge Water Services District Belt Filter Press Installation

This project will provide design and construction services to the Oak Lodge Water Services District (District) for installation of a belt filter press (BFP) recently purchased by the District for dewatering redundancy.

Brown and Caldwell's (BC) Scope of Work for the project is presented below.

### Phase 2 Design

BC will further the work done during the preliminary phase of the BFP Installation project and complete the design. The purpose of this project is to design facilities for the installation of a BFP purchased by the District (BFP2), so that it can be temporarily moved into position south of the solids handling building (SHB) to provide dewatering on an as-needed basis. It was assumed in the preliminary design that BFP2 would be mounted on a flatbed trailer, but more work is needed during design to evaluate trailer options. Initially the District intended to use an existing flatbed trailer with some modifications, but it was later determined that purchasing a new or previously owned trailer would be a better option. It was also determined on a site visit during preliminary design with BC and Andritz, the BFP2 manufacturer, that the existing trailer did not have adequate capacity for mounting BFP2. Andritz recommended a more semi-permanent skid mounted installation where BFP2 would be moved in and out of place with a crane as needed. Further evaluation is required to determine if this is a viable option.

A new washwater booster pump is recommended for the BFP2 installation and selection will be finalized during design. Additionally, a new air compressor is needed for the pneumatic belt tensioning and tracking system, and a portable conveyor will be specified to collect and transport the dewatered solids from BFP2. Piping modifications are required to tie BFP2 into the existing sludge feed and polymer piping systems. Preliminary layout drawings were developed with the preliminary design TM to show some of the equipment and piping modifications and additions. This will be further developed and finalized in this phase. Further evaluation of the site drain facilities in the area of the BFP2 installation is also needed. There may be some additional bends in the drain piping that aren't shown on the design drawings that will limit the drain flow in that area and will need to be alleviated to allow the drain flow from BFP2.

Evaluation of a sludge storage hopper will be a separate task in this phase. The District is considering installing a sludge storage hopper to eliminate the need for permanently parking a solids loading truck south of the SHB and having plant staff regularly haul the solids to eastern Oregon. Dewatered solids from the existing BFP and BFP2 would be conveyed and stored in the sludge storage hopper and the solids would be regularly picked up by a contract hauler. This will be discussed in the space planning meeting and further evaluated for feasibility.

In addition to mechanical additions and updates, substantial controls updates are required to make BFP2 operational and interconnect it with existing equipment in the SHB. Andritz visited the site and evaluated BFP2 and associated equipment, as well as the existing control panel in the SHB. They provided two options for integrating BFP2 into the solids handling process that were presented in the preliminary design TM. The District has indicated that they would like to proceed with Option 1 as indicated in the TM, which involves upgrading the existing GBT/BFP1 PLC/OLT (60-GBT-001-PCP). New local control panels for BFP2, the washwater booster pump and the pneumatic system would also be included.

## **Task 1 Project Management During Design Phase**

**Objective** To manage scope, schedule, budget, project changes and provide monthly invoicing.

**Activities** This task includes the following activities:

- Revise the project management plan (PMP) from Phase 1 to incorporate any changes and/or additions for Phase 2. The PMP shall include a detailed schedule, task budgets, listing of deliverable products, and information regarding quality control measures that will be taken to ensure the quality of deliverable products.
- Monitor project expenditures weekly and produce monthly status reports assessing project completion, budget expenditures, and schedule updates.
- Maintain frequent and open communication with the District's project manager, and work closely to anticipate changes in project needs.
- Document meeting decisions and action items.
- Request data required for the design.

**Deliverables** The deliverables for this task include the following:

- Phase 2 PMP
- Monthly status updates
- Meeting minutes
- Monthly invoicing

## **Task 2 Evaluation of a Sludge Storage Hopper**

**Objective** Determine the feasibility of a sludge storage hopper located outside near the SHB to store dewatered solids from the existing BFP and BFP2. The stored solids would then be hauled off by a contract hauler on a regular basis. This would eliminate the need for permanently parking a truck south of the SHB and reduce the frequency of plant staff making the lengthy drive out to eastern Oregon.

**Activities** This task includes the following activities:

- Conduct one space planning meeting to determine if there is a feasible location for the sludge storage hopper, as well as BFP2 and its associated equipment.
- Research possible sludge storage hopper options and design.

**Deliverables** The deliverables for this task include the following:

- Technical memorandum detailing the findings and recommendations of the sludge storage hopper evaluation.

### **District's Responsibilities**

- Attend meetings and review and provide comments on deliverables.

### **Task 3 Preparation of Draft Plans and Specifications**

**Objective** To complete draft plans and specifications at the 60% design level.

**Activities** This task includes the following activities:

- Preparation of draft plans and specification to illustrate general, civil, process and instrumentation, structural, mechanical and electrical information necessary for the modification of existing facilities and construction of new facilities for installation of BFP2 and integration into the solids handling process. Some additional evaluation of the site drain facilities in the area of the installation not previously done during the predesign phase is required.
- Update the engineer's preliminary cost estimate to incorporate any changes from the preliminary design.
- Submission of the draft plans and specification to the District for review and comment.
- Conduct review meeting after submitting the draft plans and specifications.

**Deliverables** The deliverables for this task include the following:

- Draft plans and specifications
- Revised Engineer's Class 3 cost estimate
- Meeting notes from review meeting

#### **District's Responsibilities**

- Provide any necessary cut sheet, Operation and Maintenance (O&M), and as-built information on the equipment and areas being evaluated. This includes any information on the site drain facilities in the BFP2 installation area.
- Attend meetings and review and provide comments on the deliverables.

### **Task 4 Preparation of Final Plans and Specifications**

**Objective** To complete final plans and specifications for soliciting construction bids.

**Activities** Incorporate the District's final review comments and prepare the final plans and specifications.

**Deliverables** Final signed and sealed plans and specifications

### **Task 5 QA/QC**

**Objective** To provided QA/QC throughout the project.

**Activities** Quality assurance and control will include peer review, calculation checks and cross checking between disciplines of the plans and specifications. Structural and electrical peer reviews will be performed to check calculations and ensure coordination between electrical design and equipment manufacturer responsibility.

**Deliverables** None

**Assumptions** For the purposes of establishing a budget to complete the design, the following assumptions for Phase 2 have been made:

- Record drawings are accurate for design purposes.

- Record drawings are available in AutoCAD format to provide background information for design or PDFs of existing drawings will be used for design background drawings.
- Existing conduit and conductors can be reused.
- The District has suspended operation of the cannibal process and are now operating in extended aeration mode and using cannibal tankage for aerobic digestion.
- Specifications will use current Construction Specifications Institute numbering standards that have 50 divisions. The District's Standard Contracting Requirements will be used.
- There will be three meetings, including the initial space planning meeting and two design review meetings.
- The design does not change significantly from what was developed during pre-design, thus necessitating only minor revisions to the pre-design cost estimate.
- Actual design of a sludge storage hopper is not included in this phase.
- The District will purchase a heavy-duty flatbed trailer on its own and turn it over to the Contractor. This is contingent upon whether the District chooses to go with the trailer mounted option or decides to go with a more semi-permanent skid mount option.

### Phase 3 Services During Bid/Award/Construction

BC will provide office engineering support services during the bidding period and construction management support services for the BFP Installation project as presented in the final plans and specifications.

#### Task 1 Project Management During Construction

**Objective** To manage scope, schedule, budget, project changes and provide monthly invoicing.

**Activities** This task includes the following activities:

- Revise the project management plan (PMP) from Phase 2 to incorporate changes and/or additions needed for Phase 3.
- Monitor project expenditures weekly and produce monthly status reports assessing project completion, budget expenditures, and schedule updates.
- Monitor project activities for potential changes, anticipate changes whenever possible, and with District approval, modify project tasks, task budgets and approach to keep the overall project with budget and on schedule.
- Maintain frequent and open communication with the District's project manager, and work closely to anticipate changes in project needs.
- Document meeting decisions and action items.

**Deliverables** The deliverables for this task include the following:

- Phase 3 PMP
- Monthly invoicing

#### Task 2 Services During Bidding and Award

**Objective** To attend the pre-bid meeting and provide clarification of technical drawings and specifications.

**Activities** Address contractor questions via addendum.

**Deliverables** Addendums as necessary; two addendums are assumed for budgeting purposes.

### **Task 3 Services During Construction**

**Objective** To assist the District during construction activities.

**Activities** This task includes the following activities:

- Attend a pre-construction meeting
- Make up to two site visits observe the construction that is underway for general conformance with the design intent
- Attend up to six jobsite construction meetings on an as-requested basis
- Review and approve submittals. A total of 60 professional hours for review of submittals and resubmittals are assumed for budgeting purposes
- Review and respond to requests for clarification (RFCs). A total of 40 professional hours are assumed for budgeting purposes
- Make a site visit near the completion of construction to assist the District with the development of a punch list
- Prepare record drawings incorporating changes made during construction

**Deliverables** The deliverables for this task include the following:

- Submittal and RFC responses
- Final record drawings in AutoCAD and searchable PDF electronic files

## **Schedule**

The schedule of the design phase of this project is anticipated to be approximately 5 months.

## **Cost Schedule**

BC's cost schedule is presented in Figure 1 below.

## Oak Lodge Water Services District - Belt Filter Press Design-Construction Services

		Lough, Heather L	Dickson, Sandra L	Humm, Gregory D	Harper, Jonathan F	Perrison, Douglas R	Maisonville, Philip M	Viramontes, Austin	Dummer, Catherine A	Pare, Wendy M				
Phase	Phase Description	PM	PA								Total Labor Hours	Total Labor Effort	APC	Total Effort
		\$115	\$98	\$246	\$180	\$139	\$233	\$100	\$184	\$106				
<b>Phase 2 - Design</b>														
201	Project Management	40	10	8	0	0	0	0	0	0	58	7,549	464	8,013
202	Sludge Storage Hopper	48	0	4	6	16	0	0	0	0	74	9,802	592	10,394
203	Draft Plans and Specs	194	0	0	13	104	91	52	6	27	487	69,470	3,896	73,366
204	Final Plans and Specs	46	0	0	3	26	21	12	0	7	115	16,277	920	17,197
205	QA/QC	0	0	24	0	0	0	0	0	0	24	5,913	192	6,105
	<b>Phase 2 Total</b>	<b>328</b>	<b>10</b>	<b>36</b>	<b>22</b>	<b>146</b>	<b>112</b>	<b>64</b>	<b>6</b>	<b>34</b>	<b>758</b>	<b>109,011</b>	<b>6,064</b>	<b>115,075</b>
<b>Phase 3 - Services During Bid/Award/Construction</b>														
301	Project Management	24	6	4	0	0	0	0	0	0	34	4,332	272	4,604
302	Bidding and Award	16	0	4	0	0	16	0	0	0	36	6,558	288	6,846
303	Construction	85	0	13	3	20	35	0	0	0	156	24,455	1,248	25,703
	<b>Phase 3 Total</b>	<b>125</b>	<b>6</b>	<b>21</b>	<b>3</b>	<b>20</b>	<b>51</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>226</b>	<b>35,346</b>	<b>1,808</b>	<b>37,154</b>
	<b>GRAND TOTAL</b>	<b>453</b>	<b>16</b>	<b>57</b>	<b>25</b>	<b>166</b>	<b>163</b>	<b>64</b>	<b>6</b>	<b>34</b>	<b>984</b>	<b>144,357</b>	<b>7,872</b>	<b>152,229</b>

**OAK LODGE**  
WATER SERVICES  
**STAFF REPORT**

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**To:** Board of Directors  
**From:** Kelly Stacey, Finance Director  
**Agenda Item:** Finance Department Report  
**Item No.:** 12a  
**Date:** December 18, 2018

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Below is an update of various efforts of the Finance/Administration department:

**Administrative Clean-up**

At the Regular November Board Meeting staff inadvertently reused a resolution number. Since this is a scrivener's error, we can just change the number; however, in speaking with the District's attorney, the District requires something in the record acknowledging the change. To clear up the record, I would like to suggest the following motion:

*"I make a motion that the Board acknowledge and ratify a change in the numbering to the Resolution enacted on Nov 20<sup>th</sup> adopting new purchasing rules from Resolution 18-12 to Resolution 18-15."*

**Yearend and Budget**

We have finished the OLWS audit items and should have our financial reports by the end of the year. As the audit work comes to an end for fiscal year 2018, the budget season is beginning to occupy our thoughts and calendars.

The management team has started planning for the budget by talking about things we would improve upon from previous years. One difficulty we have found in reviewing the budget is reviewing intermixed fund balances. For example, if the question were asked, "How is the Water Training Budget doing? Is it on track?" This question is impossible to ask without every manager in the room, because Technical Services, Administration and Water Staff are all intermixed into that Object Code. To help with this I am working with PlanB to set up an Administrative Services Fund. More to come on this as we work through the process.



## **Meter Financing**

Last month, the Board approved a Resolution to finance the Water Meter Replacement Project, but there were some remaining questions that needed to be addressed.

I would like to start with why I feel financing is our best option for completing the Water Meter Replacement Project; specifically, the Financing aspect. Currently, the Water Division has been spending roughly \$200,000 per year (in purchases alone) to replace the meters in a 10-year window at the Direction of the Previous Water Board. Per the attached Debt Service Schedule that was prepared in October, with \$1.5 million finance the annual loan cost would be approximately \$242K. Since the Board approved financing to \$1.3 million, the annual loan cost would be less. Furthermore, the Water Capital Fund currently has \$1.8 million in reserves. With this approved purchase contract of just under \$1.5 million, the Water Capital Fund would be left with just under \$300k in reserves if the District does not finance to project. This would undo what we began last year, which is to build a healthy reserve. This would mean rates would need to go up at a sharper rate to rebuild the reserve and may put on hold any projects needed in the near future. By financing the meter project, rates would remain steady since the annual loan cost has already been factored in.

With that in mind, I am speaking with David Ulbricht, from SDAO about at different financing options:

1. A GO Bond would require new voter approval. This is not a viable option since due to the amount of time it would take call for a vote.
2. There is the State of Oregon Special Public Works (Business Oregon or IFA) funding programs. They tend to be time consuming and a little more stringent with their underwriting and covenants and conditions.
3. USDA – Rural Utilities are another option. Again, timing is not always quick, and their security provisions can be a little cumbersome. These options would not necessarily offer better rates and would most definitely be more time consuming.

I was hoping to have more details about each of these options at the time this document was produced, I will get this to the Board as soon as possible. However, through my conversations with David, I believe our best option for the meter project is to do the bank placement bonds that he recommended.

## **Other Items:**

I want to follow up on last month's questions regarding the distribution of the electricity. PGE is going through a software change and we found that we were not being billed for our large electrical meter at the plant. Heather has been on the phone

with PGE and we have finally fixed the issue. We now have a bill for \$106,351 that was paid on December 14. This will bring our billing up to date. Also, with the budgetary difference in the Collection electricity, we found that the pump stations were being charged to the collections, but we budgeted them to the plant. Therefore the overage in the collections line item. We have corrected that, and next month's report should reflect all the updates.

We had a round of policies tonight and there will be more to follow in the coming months. As the policies are approved, I will work to put into place practices and procedures to meet the requirements of the policies.

The utility billing cleanup is continuing with Matt making great progress on his task list. With just one more week to go, we are using his full capacity to get the utility billing data edited to be sure we are billing our customers correctly. The conversion of financial portion of Accela, Springbrook, is complete. The staff will be receiving some training in the coming months to learn how to get the most from the system.

## \$1,523,000.00 - Oak Lodge Water Services District

Limited Tax - 7-Year Term

Illustration as of October 29, 2018 - Subject to Change

Water Meter Project

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/15/2018	-	-	-	-	-
06/15/2019	218,000.00	3.100%	23,606.50	241,606.50	241,606.50
12/15/2019	-	-	20,227.50	20,227.50	-
06/15/2020	201,000.00	3.100%	20,227.50	221,227.50	241,455.00
12/15/2020	-	-	17,112.00	17,112.00	-
06/15/2021	208,000.00	3.100%	17,112.00	225,112.00	242,224.00
12/15/2021	-	-	13,888.00	13,888.00	-
06/15/2022	214,000.00	3.100%	13,888.00	227,888.00	241,776.00
12/15/2022	-	-	10,571.00	10,571.00	-
06/15/2023	221,000.00	3.100%	10,571.00	231,571.00	242,142.00
12/15/2023	-	-	7,145.50	7,145.50	-
06/15/2024	227,000.00	3.100%	7,145.50	234,145.50	241,291.00
12/15/2024	-	-	3,627.00	3,627.00	-
06/15/2025	234,000.00	3.100%	3,627.00	237,627.00	241,254.00
<b>Total</b>	<b>\$1,523,000.00</b>	<b>-</b>	<b>\$168,748.50</b>	<b>\$1,691,748.50</b>	<b>-</b>

#### Yield Statistics

Bond Year Dollars	\$5,443.50
Average Life	3.574 Years
Average Coupon	3.1000000%
Net Interest Cost (NIC)	3.1734821%
True Interest Cost (TIC)	3.1796735%
Bond Yield for Arbitrage Purposes	3.1000000%
All Inclusive Cost (AIC)	3.5574005%

#### IRS Form 8038

Net Interest Cost	3.1000000%
Weighted Average Maturity	3.574 Years

## **\$1,523,000.00 - Oak Lodge Water Services District**

Limited Tax GO - 5-Year Term

Illustration as of October 29, 2018 - Subject to Change  
Water Meter Project

### **Sources & Uses**

**Dated 12/15/2018 | Delivered 12/15/2018**

#### **Sources Of Funds**

Par Amount of Bonds	\$1,523,000.00
---------------------	----------------

<b>Total Sources</b>	<b>\$1,523,000.00</b>
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#### **Uses Of Funds**

Total Bank Fees (0.263%)	4,000.00
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Costs of Issuance (See Page 4)	18,750.00
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Deposit to Project Construction Fund	1,500,000.00
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Rounding Amount	250.00
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<b>Total Uses</b>	<b>\$1,523,000.00</b>
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**\$1,523,000.00 - Oak Lodge Water Services District**

Limited Tax GO - 5-Year Term

Illustration as of October 29, 2018 - Subject to Change  
Water Meter Project

**Detail Of Bank Fees**

Dated 12/15/2018 | Delivered 12/15/2018

**BANK EXPENSES DETAIL**

Bank Counsel (0.263%)	\$4,000.00
<b>TOTAL</b>	<b>\$4,000.00</b>

**\$1,523,000.00 - Oak Lodge Water Services District**

Limited Tax GO - 5-Year Term

Illustration as of October 29, 2018 - Subject to Change

Water Meter Project

**Detail Costs Of Issuance**

Dated 12/15/2018 | Delivered 12/15/2018

**COSTS OF ISSUANCE DETAIL**

SDAO Advisory Svc (Muni Advisor)	\$3,750.00
Hawkins Delafield & Wood LLP (Special Counsel)	\$15,000.00
<b>TOTAL</b>	<b>\$18,750.00</b>

## \$1,523,000.00 - Oak Lodge Water Services District

Limited Tax GO - 5-Year Term

Illustration as of October 29, 2018 - Subject to Change

Water Meter Project

### Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/15/2025	Term 1 Coupon	3.100%	3.100%	1,523,000.00	100.000%	1,523,000.00
<b>Total</b>	-	-	-	<b>\$1,523,000.00</b>	-	<b>\$1,523,000.00</b>

### Bid Information

Par Amount of Bonds	\$1,523,000.00
Gross Production	\$1,523,000.00
Total Underwriter's Discount (0.263%)	\$(4,000.00)
Bid (99.737%)	1,519,000.00
Total Purchase Price	\$1,519,000.00
Bond Year Dollars	\$5,443.50
Average Life	3.574 Years
Average Coupon	3.1000000%
Net Interest Cost (NIC)	3.1734821%
True Interest Cost (TIC)	3.1796735%

## STAFF REPORT

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**To:** Board of Directors  
**From:** Todd Knapp, Operations Manager Field  
**Agenda Item:** Field Operations Report  
**Item No.:** 12b  
**Date:** December 18, 2018

### **Background**

The Board has requested updates at the Regular Meetings of the Board on the status of the District's Operations.

### **Operations Administration**

November has been a challenging month for both the water and collection teams, with the Holiday season starting and many absentees both sides have had to rely on each other in order to complete normal tasks.

Basin cleaning began, both crews were teaming up to help clean various catch basins around the district along with the scheduled Zone 2, between Oatfield Rd and Mcloughlin Blvd. North to South.





Basin cleaning requires maps being made, catch basins being identified, teams assembled, then pulling off the grates, measuring the depth of debris, cleaning out the debris and recording the information and marking on the map the completed catch basins.

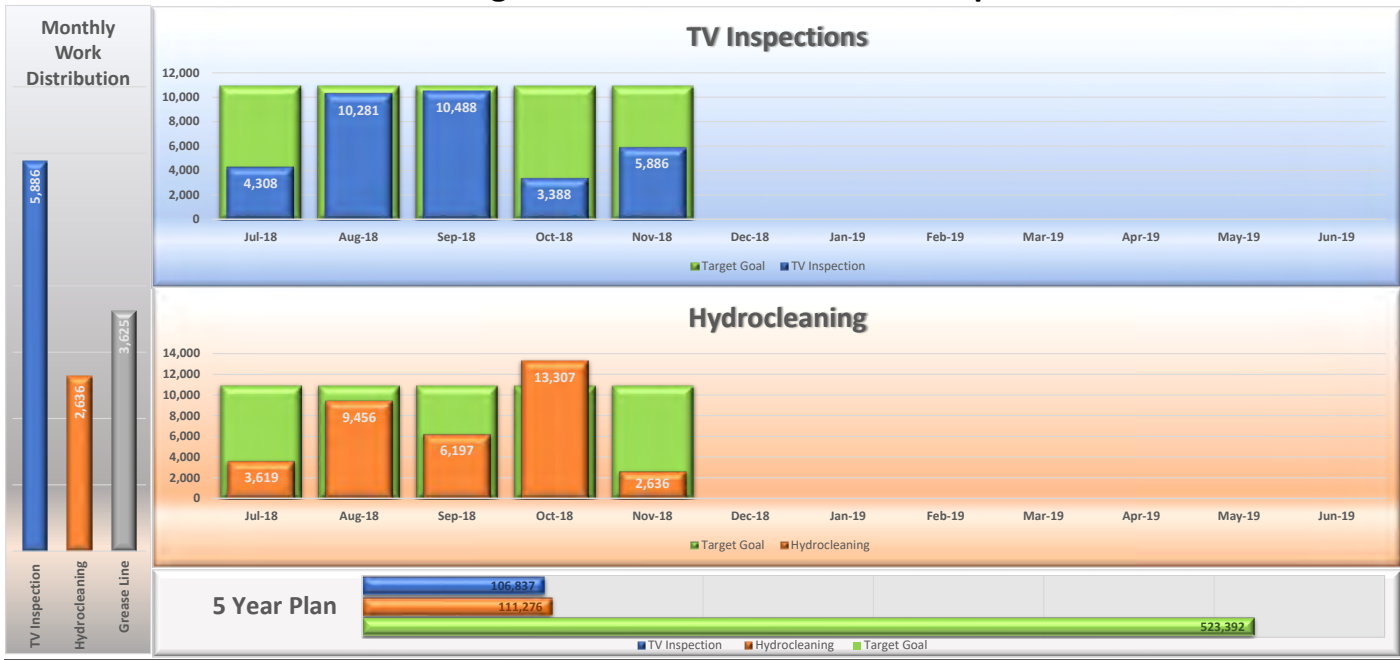
Water had two leaks this past month, both of which required the help from the collections team.

### **Field Operations Monthly Report for September 2018**

Highlights for the month:

- Meters replaced, new services added, and leaks repaired (See chart)
- Storm Cleaning by Collections and Water teams.
- Water consumption for **November: 77,769,000 Gallons** (above the 10-year average of 75,687,700) (See metered monthly consumption chart)

# Oak Lodge Water Services Collections Report



Month	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Current Month %	To Date Totals	Year 1 % Complete	5 Year %	Total Feet Remaining
TV Inspection	2,512	11,906	13,532	8,961	4,566	4,987	5,092	1,548	1,942	9,212	7,875	6,239	71.52%	78,372	74.87%	14.97%	445,020
Hydrocleaning	6,967	8,539	13,085	10,206	4,472	2,328	4,723	513	4,906	8,953	8,638	5,367	61.53%	78,697	75.18%	15.04%	444,695
Target Goal	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	8,723	100.00%	104,678	100.00%	20.00%	418,714
Grease Line	3,625	5,105	3,276	3,625	10,227	3,859	3,625	4,757	3,625	3,276	11,061	4,225		60,286			

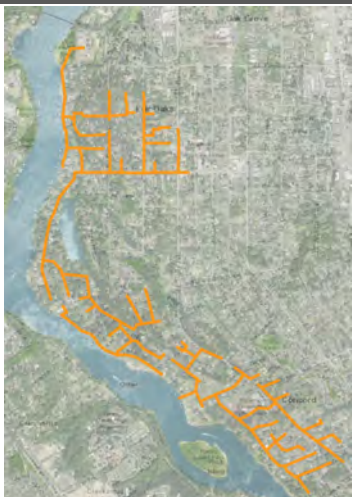
Month	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Current Month %	To Date Totals	Year 2 % Complete	5 Year %	Total Feet Remaining
TV Inspection	4,308	10,281	10,488	3,388	5,886								53.99%	34,351	26.26%	21.54%	410,669
Hydrocleaning	3,619	9,456	6,197	13,307	2,636								24.18%	35,215	26.92%	21.76%	409,480
Target Goal	10,902	10,902	10,902	10,902	10,902								100.00%	54,510	41.67%	30.41%	364,204
Grease Line	3,276	4,757	3,625	3,625	3,625									18,908			

Month	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Current Month %	To Date Totals	Year 3 % Complete	5 Year %	Total Feet Remaining
TV Inspection																	0
Hydrocleaning																	0
Target Goal																	0
Grease Line																	

Month	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Current Month %	To Date Totals	Year 3 % Complete	5 Year %	Total Feet Remaining
TV Inspection																	0
Hydrocleaning																	0
Target Goal																	0
Grease Line																	

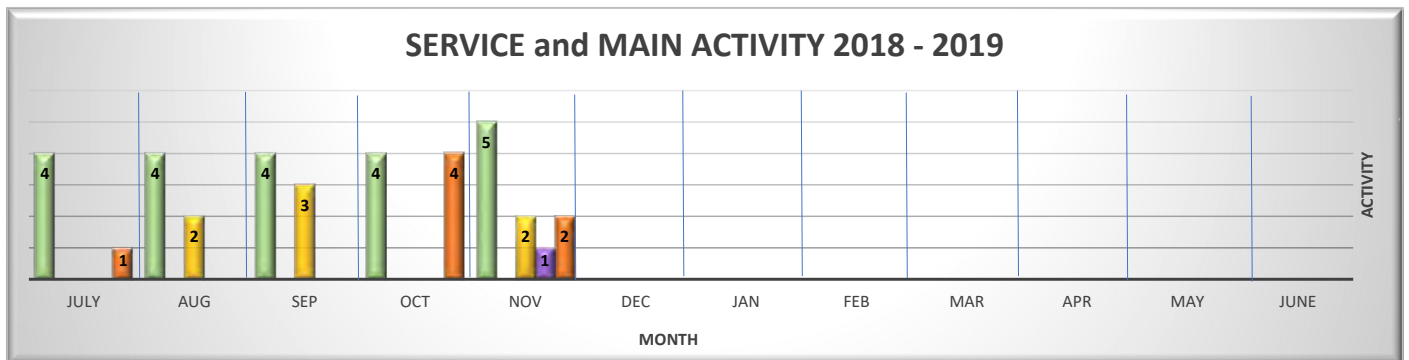
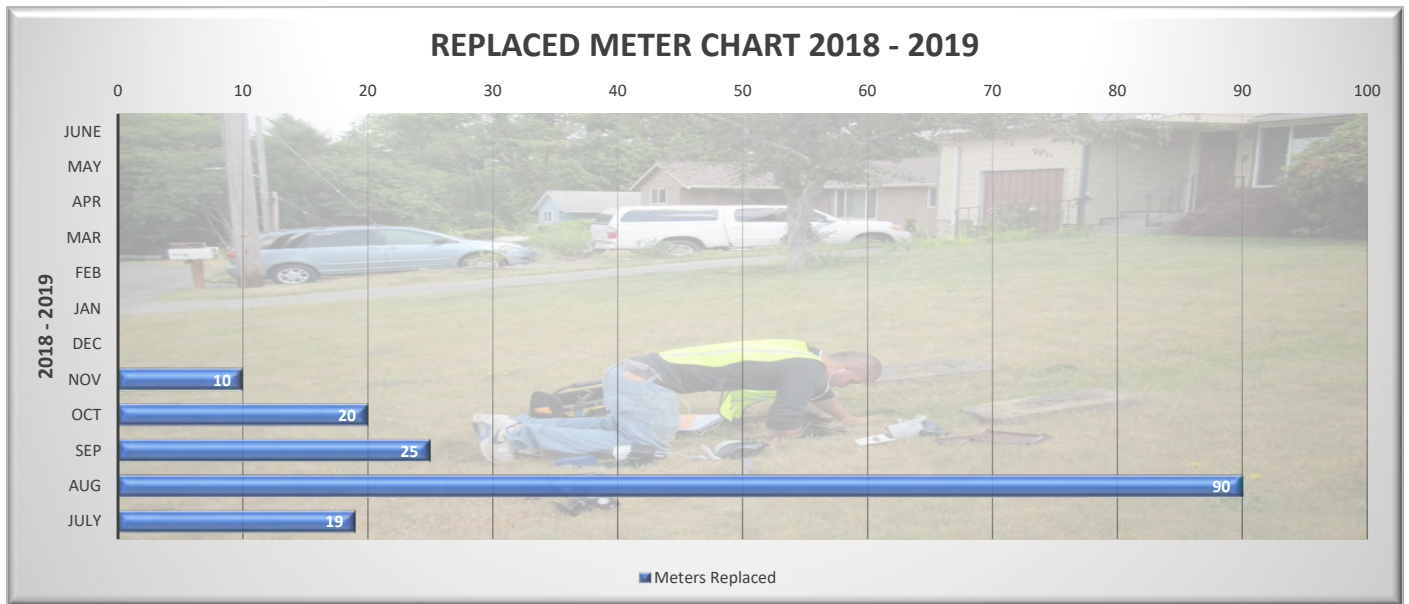
Month	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Current Month %	To Date Totals	Year 3 % Complete	5 Year %	Total Feet Remaining
TV Inspection																	0
Hydrocleaning																	0
Target Goal																	0
Grease Line																	

	Year 1	Year 2	Year 3	Year 4	Year 5	Remaining
Total Feet	523,392	523,392	523,392	523,392	523,392	
Target Per Year	104,678	104,678	104,678	104,678	104,678	
Target Per Month	8,723	10,902				
Actual Per Year TV	78,372	34,351				410,669
Actual Per Year Hyd	78,697	35,215				409,480
Make up	26,144					
Percent Completed	75%	33%	0%	0%	0%	



**Current Basin: A**

# Oak Lodge Water Services Water Report

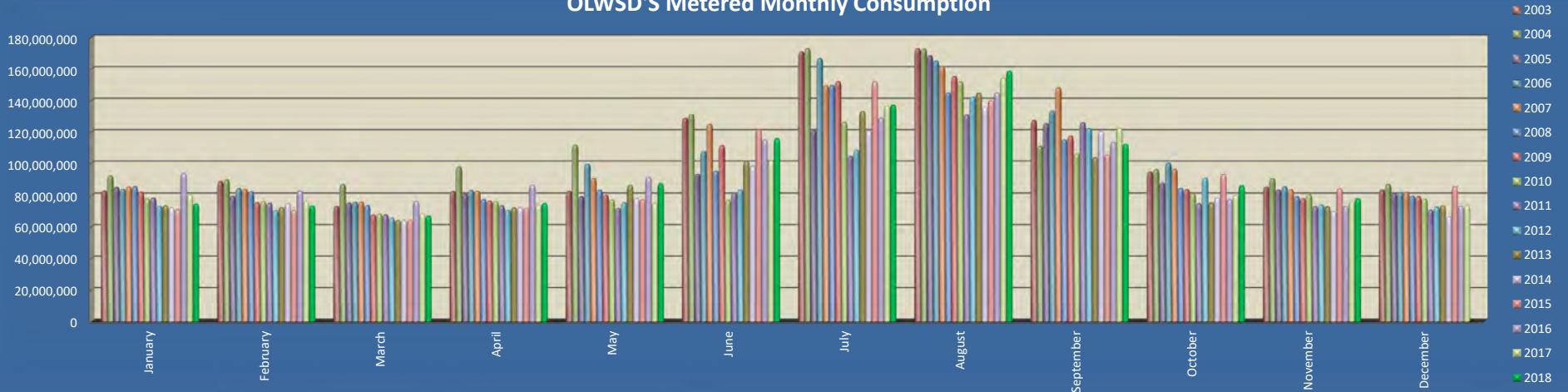


Fiscal Year	Month	Meters Replaced	New Services	Iron Services Renewed	Plastic Services Renewed	Service Leaks Repaired	Main Leaks Repaired
2019	June						
2019	May						
2019	Apr						
2019	Mar						
2019	Feb						
2019	Jan						
2018	Dec						
2018	Nov	10	5		2	1	2
2018	Oct	20	4				4
2018	Sep	25	4		3		
2018	Aug	90	4		2		
2018	July	19	4				1
<b>Yearly Total</b>		<b>164</b>	<b>21</b>	<b>0</b>	<b>7</b>	<b>1</b>	<b>7</b>

## Consumption By Year

Year	Month												Total Yearly Con	Average Daily Demand	10 Year % Ave
	January	February	March	April	May	June	July	August	September	October	November	December			
2003	82,674,600	88,370,400	72,820,000	82,357,000	82,416,000	128,520,000	170,652,000	172,726,000	127,198,000	94,416,000	85,037,000	83,285,000	1,270,472,000	3.48	
2004	91,933,000	89,441,000	86,755,000	97,665,000	111,392,000	130,863,000	172,883,000	172,499,000	110,696,000	95,973,000	90,079,000	86,823,000	1,337,002,000	3.66	
2005	84,976,000	79,415,000	74,996,000	80,616,000	79,088,000	92,885,000	120,871,000	168,248,000	125,172,000	87,512,000	83,230,500	80,773,500	1,157,783,000	3.17	
2006	83,697,000	84,098,667	75,580,333	83,028,000	99,436,000	107,501,000	166,449,000	164,957,000	132,989,000	100,180,000	85,350,000	81,587,000	1,264,853,000	3.47	
2007	85,179,000	83,766,000	75,622,455	82,508,545	90,129,000	124,696,000	149,207,000	161,512,000	147,980,000	96,159,000	83,445,000	81,921,000	1,262,125,000	3.46	
2008	85,466,000	82,200,000	73,405,000	77,221,722	83,162,278	94,885,000	149,422,000	144,592,000	114,830,000	84,307,000	79,094,000	79,319,000	1,147,904,000	3.14	104.63%
2009	82,042,000	75,196,000	67,364,000	76,238,000	79,968,000	111,127,286	151,804,000	155,069,000	117,099,000	83,457,000	77,782,000	79,107,000	1,156,253,286	3.17	105.39%
2010	77,735,000	75,975,000	67,986,000	75,943,000	76,903,000	76,720,000	125,996,000	151,590,000	105,880,000	81,052,000	80,389,000	77,515,000	1,073,684,000	2.94	97.87%
2011	78,266,000	74,983,000	67,462,000	73,285,000	71,613,000	81,189,000	104,328,000	130,684,000	125,733,000	74,646,000	72,657,000	70,555,000	1,025,401,000	2.81	93.47%
2012	73,041,000	70,104,000	65,501,000	70,380,000	75,148,000	83,256,000	108,236,000	142,023,000	121,981,000	90,545,000	73,672,000	72,454,000	1,046,341,000	2.87	95.38%
2013	73,277,000	72,051,000	63,866,000	71,906,000	86,085,000	101,278,000	132,837,000	144,354,000	103,403,000	75,217,000	72,624,000	73,180,000	1,070,078,000	2.93	97.54%
2014	72,052,000	74,566,000	63,886,000	72,171,000	77,889,000	97,978,000	120,411,000	135,271,000	120,008,000	78,257,000	69,534,000	66,200,143	1,048,223,143	2.87	95.55%
2015	70,840,857	70,318,000	63,972,000	71,515,000	77,173,000	121,185,000	151,728,000	139,696,000	105,238,000	92,781,000	83,966,000	85,368,000	1,133,780,857	3.11	103.35%
2016	93,522,000	82,637,000	76,044,000	86,443,000	90,989,000	114,745,667	128,722,333	144,599,000	113,212,000	77,196,000	72,766,000	72,839,000	1,153,715,000	3.16	105.16%
2017	80,205,000	75,867,000	68,040,000	73,822,000	74,515,000	101,310,000	136,262,000	154,085,000	122,113,000	79,860,000	75,718,000	73,584,000	1,115,381,000	3.06	101.67%
2018	74,389,000	73,219,000	66,754,000	74,713,000	87,263,000	115,543,000	136,887,000	158,433,000	112,001,000	86,062,000	77,769,000				
2019															
2020															
10 Year Average	78,644,686	74,491,600	67,087,500	74,641,600	79,754,600	100,433,195	129,721,133	145,580,400	114,666,800	81,907,300	75,687,700	75,012,114		10 Year ADD	Winter Ave
														3.01	76,049,467
															Summer Ave
															129,989,444

## OLWSD'S Metered Monthly Consumption





## Staff Report

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**To:** Board of Directors  
**From:** David Mendenhall, Plant Superintendent  
**Agenda Item:** Plant Operations  
**Item No.:** 12c  
**Date:** December 18, 2018

### **Background:**

The Board has requested updates at the Regular Meetings of the Board on the status of the District's Operations.

### **Water Reclamation Facility Operations**

There were several rain events in November separated by a dry middle part of the month. The rain and flow correlation shows that the ground is not saturated yet and the flow increases are sharp up and sharp down. This indicates the infiltration of storm water to the sanitary sewer that we have discussed before. The plant responded well until the event of November 27<sup>th</sup>. The flows came up with the morning peak and stirred the blankets up. We had still been operating with 2 clarifiers due to the low flows but as planned in operations meetings the operators that morning put clarifier 3 on line in response the flow and turbidity increase. The suspended solids number was pretty high that day but as you can see it came right back down the next day. We are in the upper range for our targeted sludge age, but the plant performance has been great other than that surge day. We are wasting extra (3000 pounds per day) as our loads from storm events have increased our solids and we need to reduce.

At the end of November, we had a two-day training class on our Hach WIMS system. This is our plant performance data tracking program and we knew it was a powerful tool but newer arrivals had not had much training on it and the more experienced operators had received training years ago and their use was just the essentials. I wanted all of us to have a better understanding what this software could do for us and have the operators be able to set up their own dashboards and enter and manipulate the data. The training was successful, and operators have already jumped in and done more with it. Due to the progress of the new operators I was able to go to a new shift schedule. Matthew is working Sunday through Wednesday with Chuck Adams and Paul is working Wednesday through Saturday with David Hawkins. This gives them more hands on time and weekend exposure. Sludge hauling picked up with the increased wasting and the solids were still in the 15% range which is very good. Randy hauled 103 wet tons in November up from 76 last month.

On the maintenance side, we got our second rebuilt influent pump back and installed. When we tried to start it up it did not run and gave an alarm. Jayson did some calling and researching and was able to correct it. It was at the connection to our system and not the pump. One improvement suggested, and lesson learned is to electrically connect the pump before putting it in the wet well to check if it is operating while the crane is still here. So, the two rebuilt pumps are functioning well, and we will plan to do another one when the weather is more stable. We received our rebuilt plant drain pump and installed that on the same crane session. There were air filter PMs done to the aeration blowers, winterizing PMs in the headworks area and throughout the plant. PMs were done on the digested sludge pumps including repairing a broken hose and changing the anti-freeze on the mechanical seal flush tanks. We had large clog in a pump in pump station #5 that took John several hours to get removed. There also was quite a bit of painting done by Jayson of floors throughout the plant. The coatings are non-slip and easy to clean which help in the winter months. Operations and maintenance worked on a rack of UV bulbs and did some bulb changing and fully serviced the wipers.

**Attachments:**

12C (i) – Operations Staff Report Rainfall vs Flow data correlation  
April 2018 - October 2018

12C (ii) – Plant Performance BOD-SS graph April 2018-October 2018





Lifting the second influent pump



Installing the influent pump

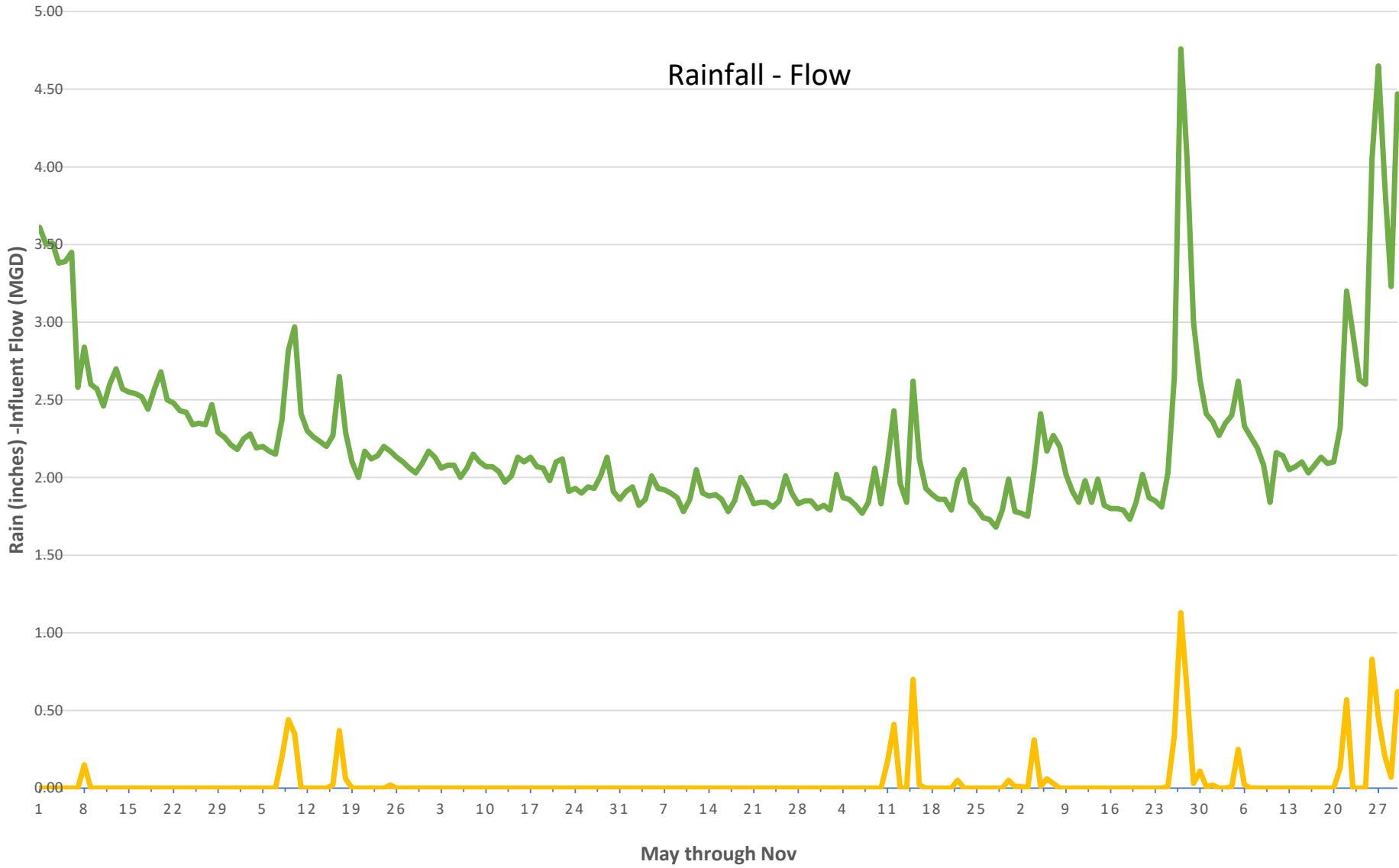


Pump Station #3 floor coating



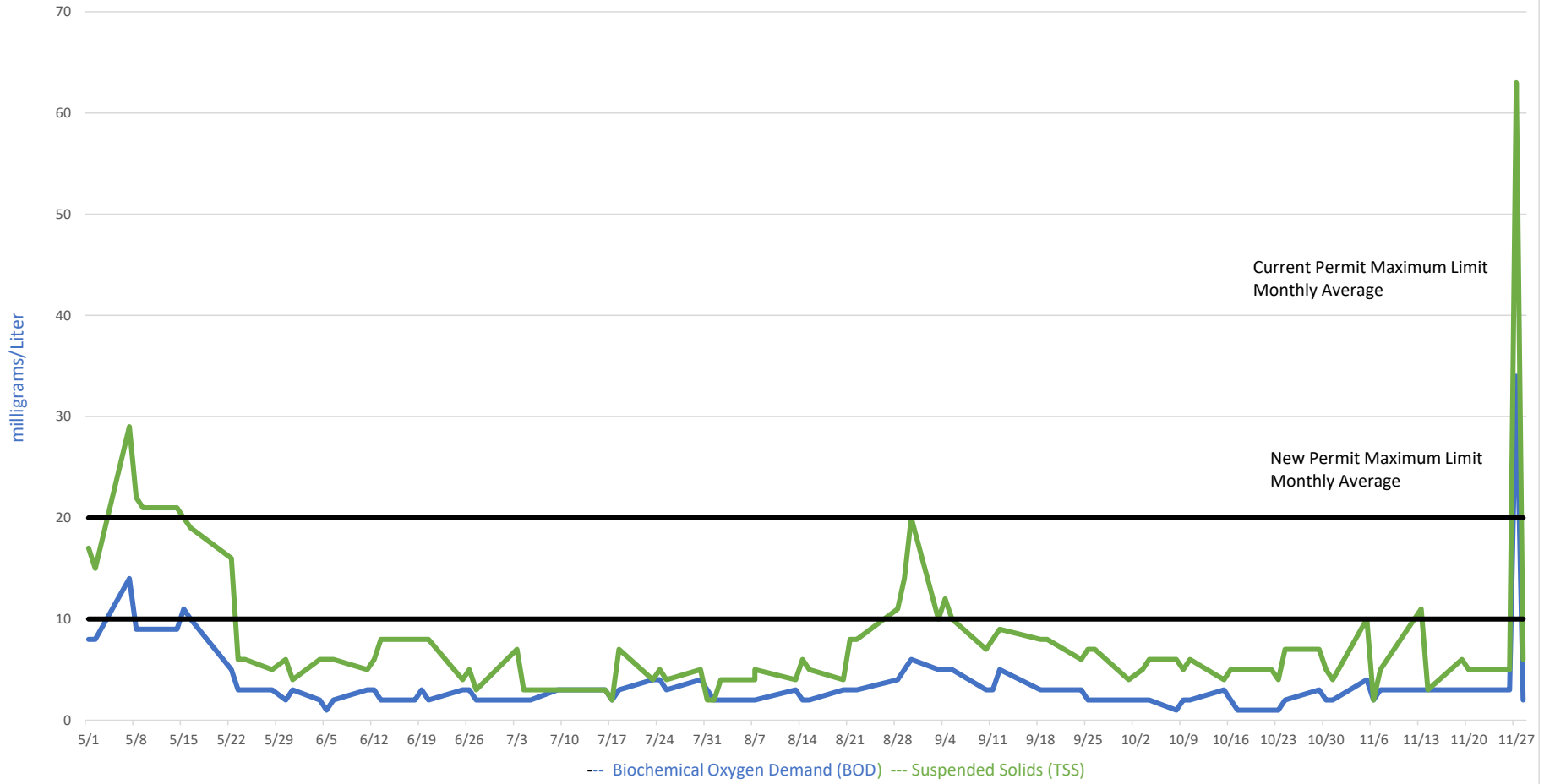
Building 75 Motor Control Center

# Rainfall - Flow





# Effluent Water Quality





## STAFF REPORT

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**To:** Board of Directors  
**From:** Technical Services Team  
**Agenda Item:** Technical Services Monthly Report  
**Item No.:** 12d  
**Date:** December 10 (for December 18, 2018 Meeting)

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Below is an update of various Technical Services Program efforts:

### **Outreach and Education**

November and December continued with more classroom and field visits with OLWS partners and schools. OLWS staff presented stormwater, sewer, and water information to students at New Urban High School and participated in restoration and enhancement field work with high school students from Rex Putnam's Watershed Health Education Program and Ecology in Classrooms and Outdoors (ECO).

The contract with North Clackamas Urban Watersheds Council has been updated for FY 2018-19. The watershed council will investigate development of a new stormwater program, revisit the long-term strategy for Streamside Steward Partners with other SSP providers in the area, and update their adult outreach goals. OLWS staff will be participating in the NCUWC Board retreat in early February.

OLWS staff continues to participate in the Clean Rivers Coalition Steering Committee, which will be meeting with BRINK to begin the strategic planning process in December. The CRC is a statewide stormwater coalition focused on whole water messaging to communities throughout Oregon. The strategic plan will unfold during the next year and over \$100,000 in funding has been secured for this project.

A reminder that the two large student events The Clackamas County Water Education Team (CCWET) and the Regional Coalition for Rivers and Streams (RCCRS) will take place in March and April. These events bring over 1000 4<sup>th</sup> and 5<sup>th</sup> grade students to the Clackamas Community College campus and to the Portland Community College Sylvania campus to investigate the nature of clean water from a whole water perspective.

In April of next year, OLWS has started planning for an Emergency Water Distribution Exercise in partnership with Oak Lodge Community Emergency Response Team

(OLCERT) and Clackamas Fire District #1. More to come on this event as planning unfolds.

Budget season is nearly here, and the OLWS staff is working hard to evaluate and propose what outreach and education programming will look like for FY 2019-2020.

**Permitting - November 2018 Development Activity**

	<i><b>This Month</b></i>	<i><b>Last Month</b></i>	<i><b>Fiscal Year-to-Date</b></i>	<i><b>This Month Last Year</b></i>	<i><b>Last Year-to-Date</b></i>
Pre-applications Conferences	3	1	15	1	10
Hours Spent on Development Review	30	45	330	94	635
Hours spent on Utility Permits	40	30	205	87	380
Development Permits Issued	2	2	13	1	7
Utility Permits Issued	6	7	36	8	46
New Sewer Connections	3	1	21	6	47
New Water Services	6	1	-	-	-
Active Erosion Control Permits	44	39	220	32	116
Total Erosion Control Permits Inspected	44	39	220	32	116
Active Construction Permits	20	22	123	12	43
Sanitary SDC Fees Received	\$28,825.00	\$5,165	\$168,280	30,990	237,590
Water SDC Fees Received	\$40,600.00	\$5,015	\$121,450	-	-
Plan Review Fees Received	\$1,858.14	\$1,200	\$48,173	-	9,113
Inspection Fees Received	\$3,888.40	\$1,797	\$51,085	-	12,945

**Attachments**

1. Capital Project Tracker
2. Development Review Status Tracker

## Capital Project Tracker

Project Name	Fund	Project Manager	Total Budget	Design Contract	Construction Contract	Total Earned (Minus Retainage)	% Spent of Budget	Status	Next Task	Expected Completion Date
Solids Handling Bldg. Refurbishment and Process Improvements	SS	Rice	\$ 300,000.00	\$ -	\$ -	\$ -	0%	Planning	Design Contract Board Approval (December)	6/30/2019
Anaerobic Digester Conversion	SS	Rice	\$ 200,000.00	\$ -	\$ -	\$ -	0%	Planning	Monitoring current process w/o Cannibal	
Secondary Clarifier Refurbishment	SS	Ogbeide	\$ 500,000.00	\$ -	\$ -	\$ -	0%	Planning	Contract with Design Engineer	6/30/2019
Aeration Control Strategy Evaluation	SS	Ogbeide	\$ 50,000.00	\$ -	\$ -	\$ -	0%	Planning	Contract with Design Engineer	6/30/2019
Mainline Repair Program	SS	Rice	\$ 200,000.00	\$ -	\$ -	\$ -	0%	Planning	Contract with Design Engineer	6/30/2019
Stormwater Master Plan	SW	Rice	\$ 125,000.00	\$ -	\$ -	\$ -	0%	Planning	Planning Public Outreach	12/31/2019
Water Master Plan	W	Rice	\$ 185,720.00	\$ 185,720.00	\$ -	\$ 94,418.00	51%	Active	Review Draft Chapters	3/31/2019
Water Meter Replacement Program	W	Ogbeide	\$ 1,350,000.00	\$ -	\$ -	\$ -	0%	Contract Awarded	Meters have been ordered. Installation expected to begin mid-January 2019	6/30/2019
WRF Decant Expansion	SS,SW,W	Ogbeide	\$ 510,000.00	\$ -	\$ -	\$ -	0%	Planning	Survey completed. Design Underway	6/30/2019
Boardman Wetland Complex	SS,SW	Rice	\$ 3,167,665.75	\$ -	\$ 3,167,666.00	\$ 1,464,267.55	46%	Under Construction	Sanitary Sewer testing and Finish Boardwalk	3/1/2019

Last Updated 12/11/2018

<b>Project Status</b>	<b>Address</b>	<b>Type of Development</b>	<b>Notes</b>	<b>Last Updated</b>
Warranty Period	3127 SE Concord Rd. (Concord Oaks, formerly Concord Vineyards II)	6-acre development (32 residential lots.)	Development Inspections complete. Warranty inspections scheduled. Warranty period expires July 2018 (punchlist items incomplete - minor - awaiting completion)	12/3/18
Warranty Period	13012 SE Oatfield	Proposed subdivision; 9 potential lots. Z0407-16	OLWSD approved plans. Sanitary inspections pending. Expires Sept. 2018. Warranty period expires Sept. 2019	12/3/18
Warranty Period	4281 SE Manewell Lane	A four-lot SFR minor subdivision.	Z0640-16 erosion control ongoing. Utility inspections complete. Warranty period ends June 2019.	12/3/18
Warranty Period	SE Manewal at SE Towery LN. 4-lot subdivision	Z0157-17_Manewal_South	OLWSD Inspection approval. Z0156-17 (for original tax lot 2300) is now void. Plans approved. In warranty period. Expires June 2019	12/3/18
Warranty Period	Taxlots 2000 & 2100 located behind 15026 & 15018 SE Linden Ln. (Tilia Ln) Originally "Wanderlust Lane"	3-parcel partition	Z0305-15-M Pubic Main Line Extension. Development approval. Sanitary warranty period ends March 2019. Erosion inspections ongoing. Expires Oct 2018	12/3/18
Under Construction	18121 SE River Rd. (Jennings Lodge Estates)	72-lot Subdivision	OLWSD approval. County Approval. Warranty period ends Sept. 2019	12/3/18
Under Construction	3816 SE Hill Rd	Z0428-16 8-lot subdivision	Water and Sewer Inspections ongoing. 1200C permit for erosion control. County timeline.	12/3/18
Under Construction	13715 SE River Road	Z0399-17 Rose Villa - 28 Homes. Garden Grove and North Pocket Development	Also Z0066-17. OLWSD approval for engineering plans. Sanitary, water and stormwater inspections ongoing. Expires Dec. 2018.	12/3/18
Under Construction	17908 and 17900 SE Addie Street.	Z0200-17-D_BOARDMAN_WETLAND	OLWSD CIP Project	12/3/18
Under Construction	6460 Glen Echo Avenue	Z0461-16_Gladstone_Glen_Echo. (OLSD Service area / out of OLSD Boundary).	10-lot subdivision. Gladstone Plan Review. Gladstone Inspection . OLWSD receives approved plans and asbuilts and inspection reports. Gladstone expiration timeline.	12/3/18
Under Construction	14501 SE Laurie Ave	Z0050-17 2-lot partition	Sanitary and EC Inspections ongoing. Expire April 2019	12/3/18
Under Construction	Willamette View	Riverview Dining Facility Replacement / Expansion; Z0239-17	Plans approved. Expires Oct 2018	12/3/18
Under Construction	SE Courtney at SE Rupert	Z0061-17-D 10-unit apartment	OLWSD inspections ongoing.	12/3/18
Under Construction	3260 SE Oak Grove Blvd	130000+ mini storage facility	Inspections ongoing: sanitary and water. 1200C for erosion control. OLWSD permits expire May 2019	12/3/18
Under Construction	18107 SE Blanton	3-lot partition	3-lot minor subdivision. County Land Use Timeline.	12/3/18
Under Construction	15314 SE RUPERT DR	7-lot subdivision Z0426-17-SS	Seven-lot minor subdivision for one existing and six new home sites. OLWSD permits expire March 2019	12/3/18
Under Construction	13809 SE Linden Ln.	Replace existing home with duplex.	Erosion control ongoing. Sanitary and water inspections ongoing. OLWSD permits expire May 2019	12/3/18
Under Construction	Z0620-17-D 16885 SE McLoughlin	Design Review - Les Schwab	County expiration timeline.	12/3/18
Under Construction	13755_SE_Schroeder	Rose Villa Units	"The Oaks" PHASE 2B' NET ZERO ENERGY POCKET NEIGHBORHOOD Z0489-17. OLWSD approval for engineering plans. Sanitary, water and stormwater inspections ongoing. Expires Dec. 2018. Z0489-17	12/3/18
Under Construction	16250 SE MCLOUGHLIN BLVD	Commercial with interior storage	Plans approved by OLWSD. OLWSD permits expire June 2018	12/3/18
Under Construction	Willamette View	Multi-family	North Pointe; Z0656-17	12/3/18
Under Construction	SE Torbank	(RIVER RD – TROLLEY TR) SIDEWALKS PUBLIC IMPROVEMENTS	Clackamas County Project Number: 22243. County expiration timeline.	12/3/18
Plan Review	15510 SE Wallace Street	Z0593-16 13 lot subdivision	First Engineering review. OLWSD Water-only. Drains to WES for SS and SWM.	12/3/18
Plan Review	19421 SE KAY ST	4-10 lots: Subdivision	Revised stormwater approach. Under review. County expiration timeline.	12/3/18
Plan Review	18800 SE MCLOUGHLIN BLVD	Nonconforming Use - Alteration/Verification:	Land use comments sent. Awaiting engineering plans. County expiration timeline.	12/3/18
Plan Review	17624 SE RIVER RD	Z0471-17 : three (3) 2-family_ dwelling units and two (2) three family dwelling units	Land use comments submitted. Awaiting engineering plans. County expiration timeline.	12/3/18

<b>Project Status</b>	<b>Address</b>	<b>Type of Development</b>	<b>Notes</b>	<b>Last Updated</b>
Plan Review	22E07CA03003 (SE Allan Rd @ SE Worthington)	Partition: 2-lots	Engineering approval. Awaiting administrative items for Site Development Permit issuance.	12/3/18
Plan Review	4322 SE Pinehurst Ave	Subdivision	Z0594-17 Water utility only. Awaiting Engineering Plans and building permit. County expiration timeline.	12/3/18
Plan Review	13630 SE Laurie Avenue	Design Review - Rose Villa	Engineering approval. Awaiting administrative items for Site Development Permit issuance.	12/3/18
Plan Review	14107 SE Lee Ave	Partition: 2 lots Z0648-17	Land Use Comments sent. County Expiration Timeline.	12/3/18
Plan Review	3622 SE Pinehurst	4-lot subdivision	Water utility only. County expiration timeline.	12/3/18
Plan Review	14601 SE Rupert	Variance application and a two-family dwelling (duplex).	Not a developmnet per OLWSD definition. This is construction on a single lot of record. Variance n/a for OLWSD. County expiration timeline.	12/3/18
Plan Review	14905 SE River forest Dr	New SFR - Willamette River Greenway	Land Use Comments sent. County expiration timeline.	12/3/18
Plan Review	14497 SE River Rd	3-lot partition	Land Use Comments sent. County expiration timeline.	12/3/18
Plan Review	14868 SE LEE AVE	Temp. Permit: Hardship Care with RV Dwelling Unit	Land Use Comments sent. County expiration timeline.	12/3/18
Plan Review	14905 SE RIVER FOREST DR	SFR Addition: Willamette River Greenway	Land Use Comments sent. County expiration timeline.	12/3/18
Plan Review	4410 SE pinehurst	Residential Subdivision	In OLWSD water service area; Development spans OLWSD boundary; water utility only. County expiration timeline.	12/3/18
Plan Review	14710 SE Lee Ave	DESIGN REVIEW – Nonconforming use	OLWSD attended pre-app. County Timeline.	12/3/18
Plan Review	18225 Portland Ave	Residential Subdivision	Awaiting first planset. In Gladstone and OLWSD. County tlimeline.	12/3/18
Plan Review	17025 SE Oatfield Rd	two-parcel partition	OLWSD attended pre-app. County Timeline.	12/3/18
Plan Review	2615 SE VINEYARD WAY	two-parcel partition	Attended pre-app. Awaiting Land Use application. County expiration timeline.	12/3/18
Pre-Application	14928 SE OATFIELD RD	ZPAC0015-18	Pre-application comments sent. Awaiting land use / subdivision application. Expires Dec. 2018	12/3/18
Pre-Application	16920 SE Berghammer	Partition 3 lots	Partition. Pre-app attended/comments submitted. Clack. Co. expiration timeline.	12/3/18
Pre-Application	16908 SE Oatfield	3-lot partition	Pre-app. Attended. County expiration timeline.	12/3/18
Pre-Application	2614 SE Tarbell Ave	3-lot partition	Pre-app. Attended. County expiration timeline.	12/3/18
Pre-Application	15601 SE Meadowlark Ln	2-parcel partition	ZPAC0054-18 15601 SE Meadowlark Ln. Pre-app. Attended. County expiration timeline.	12/3/18
Pre-Application	14010 SE Douglas Fir Ct	Partition: duplex and SFD	ZPAC0069-18 Water utility only. Submitted Pre-app comments. County expiration timeline.	12/3/18
Pre-Application	2614 se tarbell Ave	3-lot partition	ZPAC0049-18 Submitted Pre-app Notes. County expiration timeline.	12/3/18
Pre-Application	15303 SE Lee Ave	2-lot partition	OLWSD attended pre-app and provided notes. Expires Jan 2019	12/3/18
Pre-Application	None; south side of SE Maple St. midway between River Rd. and Laurie Ave., Oak Grove area. Legal Description Map 2-1E-11AB, Tax Lot(s) 1100	Subdivision. A 6-7 lot minor subdivision for six home sites and one cell tower site (possible future home site).	OLWSD attended pre-app. Previous Planning File No. Z0298-06-SS, (expired) Expires Jan 2019	12/3/18
Pre-Application	14824 SE Kellogg Ave	Minor Subdivision: two-parcel partition for two home sites / zone change	OLWSD attended pre-app and provided notes. Expires Jan 2019.	12/3/18
Pre-Application	16100 SE Harold	Minor Subdivision: our-lot minor subdivision for new home sites.	OLWSD attended pre-app and provided notes. Expires Jan 2019.	12/3/18
Pre-Application	14919 SE Woodland Way	Partition / Zone Change. Two-lot partition for one existing and one new home.	OLWSD attended pre-app and provided notes. Expires Jan 2019	12/3/18

<i>Project Status</i>	<i>Address</i>	<i>Type of Development</i>	<i>Notes</i>	<i>Last Updated</i>
Pre-Application	16800 SE McLoughlin	Design Review / Commercial	ZPAC0016-18-DR. Auto dealership design review / façade improvements. Pre-app comments submitted. Clack. Co. expiration timeline.	12/3/18
Pre-Application	14063 SE Oatfield Rd	Design PreApp - Shipping Container Condo	Design PreApp - Shipping Container Condos - ZPAC0119-18	12/3/18
Pre-Application	17997 SE Arista Dr	Two parcel partition for one existing home and one new home site.	Pre-app comments sent. County expiration timeline.	12/3/18
Pre-Application	16103 SE Southview	Three-parcel partition for one existing and two new home sites.	Pre-app comments sent. County expiration timeline.	12/3/18
Pre-Application	No address: SE Cedar at SE Courtney	Duplex	OLWSD attended pre-app. County Timeline.	12/3/18
Pre-Application	17025 SE Oatfield Rd.	two-parcel partition	OLWSD attended pre-app. County Timeline.	12/3/18



## **AGENDA ITEM**

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**Agenda Item:** Call for Public Comment  
**Item No.:** 13  
**Presenters:** N/A

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### **Background:**

Members of the public are invited to address the Board on any relevant topic. The Board may elect to limit the total time available for public comment or for any single speaker depending on meeting length.





## AGENDA ITEM

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**Agenda Item:** Business from the Board  
**Item No.:** 14  
**Presenters:** N/A

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### **Background:**

The Board of Directors appoints District representatives from time to time to serve as liaisons or representatives of the District to committees or community groups.

Directors assigned specific roles as representatives of the District are placed on the agenda to report to the Board on the activities, issues, and policy matters related to their assignment.

December 5, 2018

To: Board of Directors, OLWSD

From: Kevin Williams, Director *K.W*

Subject: Jennings Lodge CPO meeting

1. First topic was Karen Bjorklund talking about moving forward with the CPO. Clearly the Board Members are getting tired and want to see some format changes to meetings and workloads. Part of the problem seems to be that Lenar moving forward with the ERC property the CPO in some ways has lost their attraction to get people out for meetings and to help out.
2. There was application for a setback variance that was recommended to be denied. It was out of compliance with county codes.
3. There was a discussion about which priorities on a list of six be submitted to the County Planning division to be considered for revisions to code. There was one that dealt with surface water and I suggested taking it off since the county could care less about swm. I was outvoted and it was submitted.
4. There was an update from Rita Tolonen about the Neighborhood Livability project. Not much to report except the county continues to identify problem properties and has them on a list for action.
5. Grover Bornefeld gave a pretty convincing presentation on forming Jennings Lodge into a Hamlet. He has been shadowing Stafford and Beaver creek at their meetings. The benefit of forming a hamlet would be funding from the county. The CPO now pays their rent and other bills directly from their checking account. The county gives hamlets up to \$2000.00 per year. A straw vote was taken and Grover will now go to the county and assist them in setting up a series of three public meetings before anything other action can be taken.
6. Terry Gibson gave us a very brief update on the Park Avenue Project



**Tuesday, December 4, 2018**

*Church of the Nazarene, 4180 S.E. Jennings Ave.*

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7:00 p.m. **Call to Order**

- Introductions
- Treasurer's Report, Approval of Draft Minutes

7:08 p.m.\* **Looking Ahead for the JLCPO**

Karen Bjorklund will describe transitions, opportunities, and needs.

***Deadline Business Items:***

7:18 p.m.\* **Land Use:** Application to Allow Setback Variance as part of 2-lot partition at 3717 SE Roethe Rd.

7:30 p.m.\* **Proposals to Make to the County for Next Year's Planning/Transportation Division Work Plans**

***Reports:***

7:50 p.m.\* **Update on the Neighborhood Livability Project** - Rita Tolonen

8:00 p.m.\* **Report on Hamlet Concept in Actual Practice** - Grover Jeffrey Bornefeld

8:25 p.m.\* **Update on Park Ave. Project & McLoughlin Area Plan** - Terry Gibson

8:35 p.m.\* **Announcements:**

Schoolyard Farms

\*Times Tentative

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The next regular business meeting of the Jennings Lodge CPO will be held January 29.

**For more information, email [jenningslodgecpo@gmail.com](mailto:jenningslodgecpo@gmail.com)**

# LEADS - LAW ENFORCEMENT ASSIGNED DIVERSIONS

## NLP Properties in the Oak Grove/Jennings Lodge are as of 10/02/2018



*Draft JLCPO 10-23-18 Regular Meeting Minutes*

**Jennings Lodge Community Planning Organization Regular Meeting Minutes**

**MODERATOR:** Karen Bjorklund

**DATE:** October 23, 2018

**RECORDER:** Brian Dirks

**LOCATION:** Church of the Nazarene

Notice for the meeting included press releases to the Clackamas Review newspaper, email notification to all on the JLCPO email list, notices on the Clackamas County CPO webpage and the JLCPO Facebook page, outdoor lawn signs and social network Next Door.

The meeting was called to order by JLCPO Chairperson Karen Bjorklund at 7:00 p.m.

Total Attendance: 33. Voting Members in Attendance: Mitra Anoushiravani, Lisa Bentley, Steve Berliner, Karen Bjorklund, Grover Jeffrey Bornefeld, Jan Carothers, Brian Dirks, Carley Dirks, Virginia Foster, Nancy Gibson, Terry Gibson, Leanna Gornick, Paul Gornick, Michael Gradt, Amanda Green, Ed Gronke, Tom Humphrys, Curt Kurzenhauser, Stephanie Kurzenhauser, Carol Mastronarde, Marna Moore, Jane Morrison, Linda Neumann, Norm Tolonen, Rita Tolonen, Kevin Williams

**Introductions:** All in attendance introduced themselves.

**JLCPO Business:** Treasurer's Report; September draft meeting minutes approved as written.

**FIRST TOPIC: Opportunities to Acquire Local Land for Parks**

*Presented by Kathryn Krygier, county staff for the North Clackamas Parks & Recreation District*

- Kathryn gave an update on the current status of parks in the JLCPO area.
- Members discussed community interest and opportunities to acquire local land for parks.
- Members voiced concerns regarding the lack of parks in the JLCPO area.
- Kathryn stated that the minimum size for a park is 2 acres.
- Kathryn said she could come back to the January JLCPO meeting.

**SECOND TOPIC: Shared Community Concerns**

Members used dots to rank the shared community concerns developed at previous JLCPO meetings by importance. The top 5 ranked concerns were:

1. Losing possible green space and treed park land.
2. Not getting value for local dollars and/or proportional representation from North Clackamas Parks District.
3. Lack of local control on how local tax dollars are spent, on priorities that are set that affect our area, and on regulations and how they are applied/interpreted.
4. Concern that unincorporated area is not getting the same funding and/or dollars as cities.
5. Concern that county laws are not serving us - zoning ordinances don't reflect the Comprehensive Plan.

**THIRD TOPIC: Water District Storm Water Management Master Plan**

*Presented by Kevin Williams, Oak Lodge Water Services Board Director & liaison to the JLCPO.*

Kevin gave a report on the Master Plan that is currently being developed, and explained the agreement between the District and the County regarding responsibility for management of surface water.

**FOURTH TOPIC: MAP-CPO Outreach**

- Members discussed potential methods to reach out to community members who are not currently involved in MAP-IT or JLCPO.
- Terry Gibson moved that Karen Bjorklund be appointed as a regular JLCPO MAP-IT representative (she was previously an alternate JLCPO representative). Nancy Gibson seconded the motion. Vote: In Favor 19; Opposed 0; Abstain 0.

**FIFTH & FINAL TOPIC: Possible Changes to CPO Meeting Schedule**

The members discussed the idea of changing to fewer JLCPO meetings a year. This was an exploratory discussion item only - no decisions were sought or made.



Jennifer Hughes, Manager  
Lindsey Nesbitt, Manager  
Planning & Zoning

Department of Transportation and Development

150 Beaver Creek Road Oregon City, OR 97045

**NOTICE OF LAND USE APPLICATION IN YOUR AREA**

**Date:** 11/26/2018  
**Permit Number:** Z0527-18  
**Application:** Variance  
**From:** Clackamas County Planning and Zoning  
**Notice Mailed To:** Property owners within 300 feet  
Community Planning Organizations (CPO)  
Interested Citizens and Agencies

**Application Proposal:**

Applicants request a variance for a proposed partition that would reduce the new front yard setback to an existing garage and dwelling. The setback for the garage would be reduced from 20 feet to 5 feet and the rear yard setback for the dwelling would be reduced from 20 feet to approximately 5 feet.

**Property Owner:** PETERS JON W  
117 NW VICKSBURG AVE  
BEND, OR 97703  
**Applicant:** SHIERENBECK, TIM  
43 NW AVA AVE  
GRESHAM, OR 97030  
**Address:** 3717 SE ROETHE RD  
MILWAUKIE, OR 97267  
**Location:** 3717 SE Roethe Rd., Milwaukie, OR 97267  
**Legal Description:** 21E13DB04700 **Acres:** .51  
**Zone:** R-10 Urban Low Density Residential  
**Staff:** Andrew Yaden 503 742 4578 **E-mail:** AYaden@clackamas.us

**How to Comment on this Application:**

1. To be sure your comments will be considered prior to the decision, we need to have them within 20 days of the date of this notice.

**Permit Number: Z0527-18**

2. You may use the space provided below, mail a separate letter or e-mail the information. Please include the permit number, address the information to the staff member handling this matter, and focus your comments on the approval criteria for the application.

3. Return your mailed comments to: Clackamas County Planning and Zoning, 150 Beaver Creek Rd, Oregon City, OR 97045; FAX to (503) 742-4550.

**Community Planning Organization:** The following recognized Community Planning Organization (CPO) has been notified of this application. This organization may develop a recommendation on this application. You are welcome to contact this organization and attend their meeting. If this Community Planning Organization is currently inactive, and you are interested in becoming involved in Land Use Planning in your area, please contact the Citizen Involvement Office at (503) 655-8552.

JENNINGS LODGE CPO  
ED GRONKE (503) 656-6546  
4912 SE RINEARSON RD  
MILWAUKIE OR 97267

**Decision Process:** In order to be approved, this proposal must meet the approval criteria in the Zoning and Development Ordinance, Section(s)

315, 1205, 1307

The Ordinance criteria for evaluating this application can be obtained from this office or viewed at [www.clackamas.us/planning/zdo.html](http://www.clackamas.us/planning/zdo.html). You may view the submitted application at the following link, <https://accela.clackamas.us/citizenaccess/> within five days of the date of this notice, or at our office during weekday lobby hours, 8:00 am to 4:00 pm, Monday through Thursday and 8:00 am to 3:00 pm Friday.

A decision on this proposal will be made and a copy will be mailed to you. If you disagree with the decision you may appeal to the Land Use Hearings Officer who will conduct a public hearing. There is a \$250 appeal fee.

Comments:

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Your Name/Organization

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Telephone Number

*Clackamas County is committed to providing meaningful access and will make reasonable accommodations, modifications, or provide translation, interpretation or other services upon request. Please contact us at 503-742-4696 or email [swilliams@clackamas.us](mailto:swilliams@clackamas.us).*

503-742-4696: ¿Traducción e interpretación? | Требуется ли вам устный или письменный перевод? | 翻译或口译? | Cần Biên dịch hoặc Phiên dịch? | 번역 또는 통역?



STATEWIDE LAND SURVEYING INC.

Primary Address: 3717 SE Roethe Rd, Milwaukie, 97267

Jurisdiction: Clackamas County

Map Number: 21E13DB

Taxlot Number: 21E13DB04700

Parcel Number: 00300025

Document Number: 2017-028734

Census Tract: 021700

Designation: R10

Urban Growth Boundary: METRO UGB

## Variance Request

**6.A(2): Limits on Development: Why is your property unable to be developed like other similar properties in the area without this variance? You must provide factual evidence with your application to support your claim.**

The proposed partition would create two parcels, both of which would use a shared drive to access SE Roethe Rd, a Collector street. Proposed Parcel 2 has a barn on the back of the property but is otherwise undeveloped at this time. Parcel 1 has an existing single-family dwelling and a detached garage.

The garage is situated such that the driveway "dead ends" into the garage. Due to the arrangement of the proposed partition, the front setback for Parcel 1 will fall along the Southwest property line. The majority of the garage lies within the 20' front setback area. (The garage is, at its nearest point to the Southeast property line, 5 feet from said property line – which satisfies the standard side setback requirement.)

The development proposed for Parcel 2 would be a single-family dwelling with attached garage and create a hammerhead-style driveway formation. A shared access easement and the hammerhead-style driveway would allow the owners of each proposed parcel to access SE Roethe Rd facing forward, rather than backing onto the street.

This variance is being requested to ask that the existing garage on Parcel 1 be allowed to remain in the area that would become the 20 foot front setback area to ensure that there will be enough space for vehicles from Parcel 2 to turn around in the hammerhead-style driveway and approach SE Roethe Rd facing forward. I.e., the turn around space will not be blocked by a vehicle belonging to Parcel 1 because that vehicle would be parked in the existing garage.

A "stroll" along SE Roethe Rd using Google Earth shows that neighboring properties have attached or detached garages, but few of them are designed in such a way as to allow the occupants to access SE Roethe Rd facing forward. Allowing the garage on proposed Parcel 1 to remain in the 20 foot front setback area would create a safer access route to SE Roethe Rd than the method used by many of the neighboring properties.

**7.B(1): Why will the proposed variance not adversely affect the function or appearance of the development and use on the subject property?**

Since the garage is existing, there will be no need to disturb the surrounding environs with grading, tree removal, demolition, etc.





**STATEWIDE LAND SURVEYING INC.**

**7.B(2): Why will the proposed variance not intrude on, harm, or limit other properties and uses in the area, including uses that would be allowed on vacant or undeveloped properties?**

The garage has been in existence for many years and does not seem to be intruding, harming, or imposing any limitations on any neighboring properties.

**7.B(3): How will the proposed variance result in the minimum deviation from the standard needed to alleviate the hardship?**

The existing garage is at least 5 feet from the Southwest property line of proposed Parcel 1, the minimum property line setback.

**7.C. How is the proposed variance consistent with applicable goals and policies of the Comprehensive Plan?**

Allowing the garage to remain in the 20 foot front setback of Parcel 1 will create safer, forward facing access to SE Roethe Rd for each proposed parcel.

**December 1, 2018**  
**Recommendation from the**  
**Jennings Lodge CPO Land Use Committee on**  
**Re: Z0527-18, 3717 SE Roethe Rd., Application for setback variance**

The Jennings Lodge CPO Land Use Committee recommends denial of the application for variance.

This is related to Z0507-18 for the same partition. The original application was submitted to the County on 10/24 and has not been approved. Our committee recommended that the original application for partition be denied because of the setback problems posed by the already-existing house and garage on Parcel 1. The existing garage came within 5 feet of the adjoining property, whereas the required setback for the front edge of the property (required because of the partition request) was 20 feet.

This application is a request for a variance of that provision, allowing the present garage to remain with a setback from the front edge of the property of only 5 feet.

It appears that the problem posed by the partition request is the placement of the already-existing house and garage, built many years ago. The requested partition asks the County to ignore this so that the present owner can divide the property into two parcels, allowing for the construction of an additional house and garage in the future.

The arguments advanced for approval do not seem to have merit. The principal reason advanced is that the variance would allow vehicles to enter Roethe facing the street. However, the partition request also contains a "hammerhead turnaround" which already meets that request.

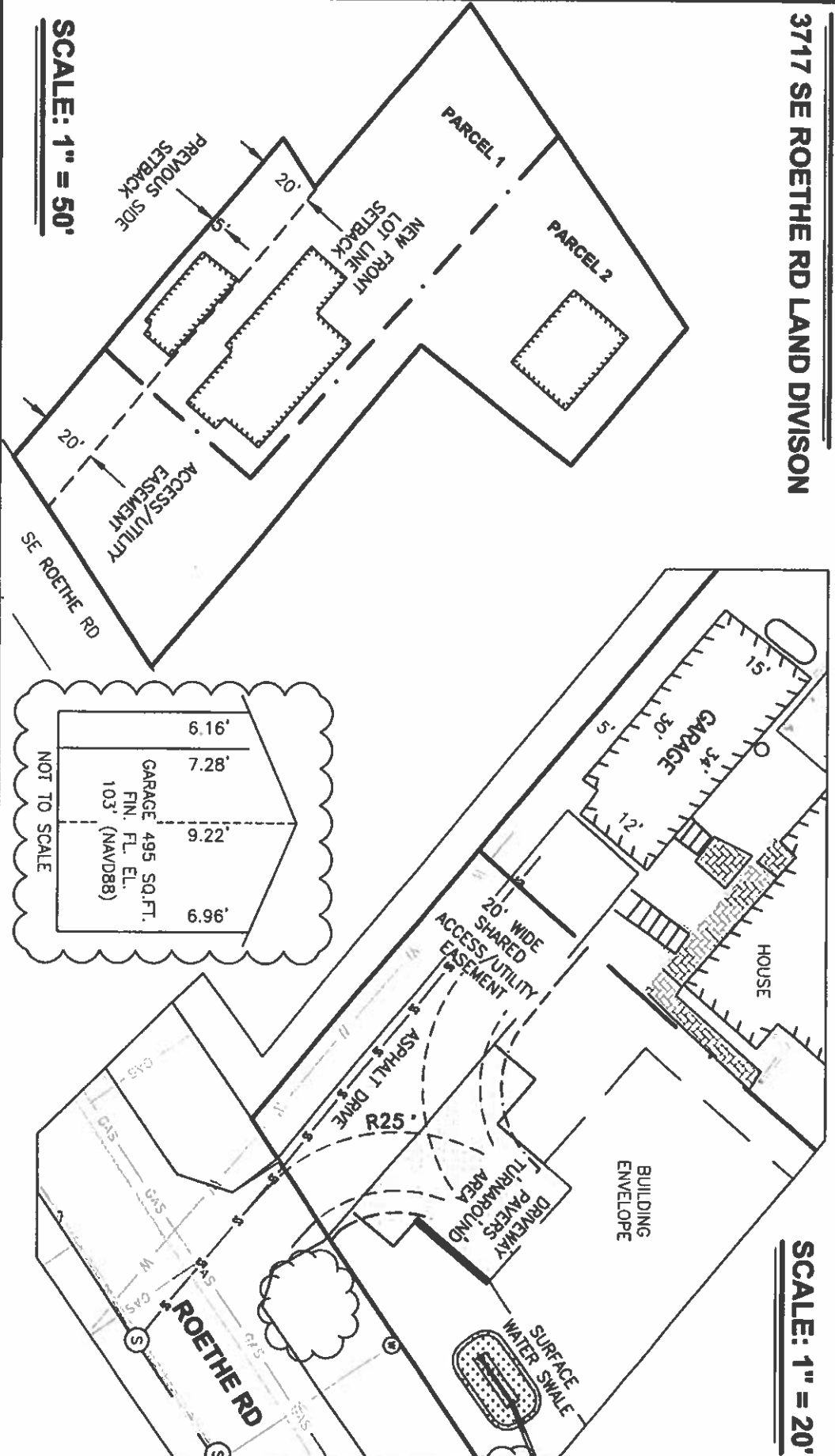
The point is made that the garage is quite old. The photos enclosed bear that out, with structural members appearing to be misaligned, the overhead door jammed and the roof badly in need of replacement. The answer might be to replace the garage with either a smaller structure (one car instead of two) or relocate the garage. If the garage were replaced with a new, narrower structure in its present location, it would meet the setback requirements and no variance would be needed.

Under these circumstances, the Jennings Lodge CPO Land Use Committee recommends denial of the application for variance and the application for partition, since neither meets the setback requirements currently in the code.

Jennings Lodge CPO Land Use Committee:  
Brian Dirks (Committee Chair) and Ed Gronke

# EXHIBIT MAP

3717 SE ROETHE RD LAND DIVISION



SCALE: 1" = 50'

SCALE: 1" = 20'

# STATEWIDE LAND SURVEYING INC.



43 NW AVA AVE. GRESHAM, OR 97030  
 O: 503-665-7777 F: 503-665-7988  
 EMAIL: SURVEY@STATEWIDESURVEYING.COM  
 WEB: WWW.STATEWIDESURVEYING.COM

CLIENT: JON W. PETERS	DRAWN: T.M.S.	DRAWN DATE: 10-05-18
JOB NUMBER: 2018-047	REVIEWED: G.D.S.	REVIEW DATE: 10-17-18
SCALE: VARIES	SHEET: 1 OF 1	SURVEY DATE: 6-29-18

Thursday, December 06, 2018  
6:45 PM – 8:30 PM

Development Services Building  
Main Floor Auditorium, Room 115  
150 Beaver Creek Road, Oregon City, OR 97045

**AGENDA**

- 6:45 p.m. **Pledge of Allegiance**
- ✓ **Welcome & Introductions**  
*Chair Jim Bernard & Mayor Brian Hodson, Co-Chairs*
- Housekeeping**
- ✓ • Approval of November 01, 2018 C4 Minutes *Go ahead* **Page 03**
  - ✓ • January Meetings
- 6:50 p.m. ✓ **Transportation Futures Study Update**
- Staff memo and materials **Page 05**
- 7:10 p.m. ✓ **C4 Legislative Strategy Discussion**
- Staff memo **Page 06**
  - I-205 Legislative Concept **Page 07**
- 8:10 p.m. ✓ **Urban City Executive Committee Seat** **Page 10**
- 8:15 p.m. **Updates/Other Business**
- ✓ • VRF Update - *LTRS OF SUPPORT FROM CITIES*
  - ✓ • JPACT/MPAC Updates - *NO UPDATES*
  - Other Business
- 8:30 p.m. **Adjourn**

# General Information



## Current Voting Membership

		C4 Exec	C4 Metro	C4 Rural	JPACT	MPAC	R1ACT
Clackamas County	Chair Jim Bernard	●	●	●			
Clackamas County	Commissioner Paul Savas		●	●	●		●
Canby	Mayor Brian Hodson	●		●			●
CPOs	Laurie Freeman Swanson (Molalla CPO)	●	●	●			
Estacada	Mayor Sean Drinkwine			●			
Fire Districts	Matthew Silva (Estacada Fire District)	●					
Gladstone	Mayor Tammy Stempel		●				
Hamlets	Kenny Sernach (Beavercreek Hamlet)			●			
Happy Valley	Councilor Markley Drake		●				
Johnson City	Vacant						
Lake Oswego	Councilor Jeff Gudman	●	●		●	●	●
Milwaukie	Mayor Mark Gamba		●			●	
Molalla	Mayor Jimmy Thompson			●			
Oregon City	Mayor Dan Holladay		●				
Portland	Vacant						
Rivergrove	Mayor Heather Kibbey		●				
Sandy	Councilor Carl Exner			●			
Sanitary Districts	Nancy Gibson (Oak Lodge Water Services)	●					
Tualatin	Councilor Nancy Grimes		●				
Water Districts	Hugh Kalani (Clackamas River Water)						
West Linn	Council President Brenda Perry		●				
Wilsonville	Mayor Tim Knapp		●		●		

## Current Ex-Officio Membership

MPAC Citizen Rep	Vacant
Metro Council	Councilor Betty Dominguez
Port of Portland	Emerald Bogue
Rural Transit	Julie Wehling
Urban Transit	Eve Nilenders

## Frequently Referenced Committees:

- CTAC:** Clackamas Transportation Advisory Committee (C4 Transportation TAC)
- JPACT:** Joint Policy Advisory Committee on Transportation (Metro)
- MPAC:** Metro Policy Advisory Committee (Metro)
- MTAC:** Metro Technical Advisory Committee (MPAC TAC)
- R1ACT:** Region 1 Advisory Committee on Transportation (ODOT)
- TPAC:** Transportation Policy Advisory Committee (JPACT TAC)



Thursday, November 1, 2018  
6:45 PM – 8:30 PM

**Development Services Building**  
Main Floor Auditorium, Room 115  
150 Beaver Creek Road, Oregon City, OR 97045

**Attendance:**

- Members:** Canby: Brian Hodson (Co-Chair); Clackamas County: Paul Savas; CPOs: Laurie Swanson (Molalla); Martin Meyers (Redland-Viola-Fischers Mill); Estacada: Sean Drinkwine; Hamlets: Kenny Sernach (Beavercreek); Rick Cook (Stafford); Happy Valley: Markley Drake; Lake Oswego: Jeff Gudman; Milwaukie: Mark Gamba; Sandy: Carl Exner; Transit: Julie Wehling (Canby); Eve Nilenders (Trimet); Water Districts: Hugh Kalani; West Linn: Russ Axelrod; Wilsonville: Tim Knapp.
- Staff:** Chris Lyons (PGA); Trent Wilson (PGA)
- Guests:** Jaimie Huff (Happy Valley); Andrew Singelakis (Washington County); Erin Wardell (Washington County); John Lewis (Oregon City); David Marks (CCBA); Megan McKibben (Cong. Schrader); MJ Cartasegna (BCC); Mark Ottenad (Wilsonville SMART); Mark Meeks; Mike Bezner (DTD); Marge Stewart (Firwood CPO); Steve Williams (DTD)

The C4 Meeting was recorded and the audio is available on the County’s website at <http://www.clackamas.us/c4/meetings.html> . Minutes document action items approved at the meeting.

<u>Agenda Item</u>	<u>Action</u>
Approval of October 4, 2018 Minutes	Approved.
Transportation Futures Study Discussion	<p>Washington County staff presented on the process and outcome of their completed transportation futures study, which has provided data the county now uses when competing for state and regional transportation dollars. Washington County received \$1.3 million from the State Legislature to conduct the study, and provided additional county dollars to complete the study.</p> <p>Clackamas County staff also presented what a Clackamas transportation futures study might entail, and C4 discussed the value of pursuing funding from the state legislature.</p> <p>Members relayed ideas for a Clackamas-specific transportation futures study, and asked staff to return with</p>

	<p>more details. Members agreed it was worth seeking state funds, and expressed the effort should complement the Washington County study while incorporating a regional lens.</p>
<p><b>C4 Legislative Strategy Discussion</b></p>	<p>On the heels of the transportation futures study discussion, members discussed relevant topics that C4 and C4 member jurisdictions might advocate for and/or track in the upcoming legislative session. County staff recommended that issues like funding for I-205, the county courthouse replacement project, and a transportation futures study should float to the top.</p> <p>No decisions were made because of time, and C4 asked this issue be tabled until the December meeting.</p>
<p><b>VRF Progress Update</b></p>	<p>County staff has been meeting with communities and businesses to share information similar to what C4 discussed in August in September.</p>
<p><b>Updates/Other Business</b></p> <ul style="list-style-type: none"> <li>• <b>JPACT/MPAC Updates</b></li> <li>• <b>Countywide HNA Update</b></li> <li>• <b>2019 Retreat Update</b></li> <li>• <b>Other Business</b></li> </ul>	<p>JPACT/MPAC: Regional Transportation Plan (RTP) Urban Growth Boundary (UGB) update completed.</p> <p>Countywide HNA Update: The Countywide HNA is now moving forward, with a requirement to finalize the study by the end of June 2019.</p> <p>2019 C4 Retreat: June 14/15 is the only viable date for Resort at the Mountain that works for C4's desire to meet in June 2019. Members agreed to save that date.</p>

Adjourned at 8:50 p.m.

**MEMORANDUM**

**TO:** Clackamas County Coordinating Committee  
**FROM:** Stephen Williams, Principal Transportation Planner  
**DATE:** December 06, 2018  
**SUBJECT:** Legislative Proposal for Clackamas County Future Transportation Study

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The following is a summary legislative proposal for funding the Clackamas County Future Transportation Study.

**Proposal:** Clackamas County and its member cities propose the development of a 50 year transportation plan for Clackamas County that anticipates the major population, economic, and technology changes that will occur and identifies the highest priority transportation improvements across all state, regional and local systems within and surrounding Clackamas County.

**Description:** The next 50 years is likely to be a period of great change in the transportation system and in Clackamas County. Experts anticipate full implementation of autonomous and connected vehicles, changing many aspects of our transportation system. At the same time, growth in population and employment will expand the developed areas of Clackamas County beyond the existing Metro Urban Growth Boundary, creating a need for new transportation facilities and systems. The rapidity with which these changes will occur, and the lengthy time period required for infrastructure development, could mean that change will occur much more rapidly than state, regional and local transportation agencies can respond. If ODOT, Metro, TriMet, Clackamas County and its cities are unable to respond to these rapid changes, the results will harm the attractiveness of the county as a place to live and work as well as hamper mobility in the area between Mt. Hood and the Willamette River.

This study is intended to be a cooperative effort of the local governments of Clackamas County, with ODOT, Metro and TriMet to identify the changes that are coming and to begin planning today to meet long-term transportation needs. The proposed study will include six main tasks:

1. Account for future population and employment growth
2. Consider major issues of concern such as future traffic on major corridors (I-205, OR212/Sunrise Expressway, US26, OR213, etc.), seismic resiliency of local transportation, and climate change adaption
3. Anticipate major changes in the economy and in transportation technology based on the most recent research
4. Use a scenario planning approach to manage the uncertainty involved in very long-term planning
5. Select the highest priority transportation improvements that serve transportation needs in multiple scenarios
6. Use survey research, focus groups and online public engagement to involve members of the public from across the county in the process

*recognition of changes - week from home remote? YES including*

**Time/Cost:** It is anticipated that this study will take 2 years to complete and cost \$2.5 million.

*Washington County 1.5 million from STATE AND ADD'L 1.0 from WASHINGTON COUNTY TO complete.*



Memorandum

To: Clackamas County Coordinating Committee (C4)  
From: Chris Lyons, Clackamas County Public & Government Affairs  
Date: December 6, 2018  
RE: C4 Legislative Strategy Discussion

Overview:

This December 6<sup>th</sup> discussion is a continuation of the November 1<sup>st</sup> C4 meeting clarifying C4's interest in working together to advance key priorities during the 2019 legislative session.

The 2019 Oregon legislative session begins Tuesday, Jan. 22 and will conclude no later than Sunday, June 30. The Governor, Senate President, and House Speaker have jointly identified the following four issues as top priorities to be addressed in 2019: new investments in K-12 education, passage of a cap & invest carbon reduction program, addressing Medicaid funding shortfalls, and continuing to advance solutions to the state's housing crisis.

A primary function of C4 is to establish and promote unified positions at the state and regional levels. C4 members have the potential to increase the likelihood of success on key, agreed-upon legislative priorities by advocating as a unified coalition with coordinated outreach.

Recommended criteria for selecting C4's legislative priorities:

- Does the issue fit within C4's primary area of focus (i.e. transportation & land use)?
  - Does the issue benefit all residents of Clackamas County?
  - Is the issue Clackamas-specific (i.e. without C4 member involvement, is the issue likely to see action)?
  - Is there C4 consensus and commitment among members to work on the issue?
- Is there a bill on the issue?*

*NOTIFY BOB  
YOUR USE  
REVENUE TO  
RE-PAY.*

Recommended C4 legislative priorities:

- Funding for the I-205 Widening & Seismic Improvement Project
- Funding for a Clackamas County Transportation Futures Study
- Funding for the Clackamas County Courthouse Replacement Project

*REMOVED →  
ADDED →*

*ENGAGED IN HOUSING DISCUSSIONS & BILL INITIATIVE? OPPORTUNITIES*

*\$50M BY  
SPENT BY  
DOE ON  
PLANNING.  
Should be done  
in 1 year for plan.  
2026 UNTIL  
CONGESTION PRICING  
REVENUES KICK-IN.*

Options for individual jurisdictions/entities to participate in legislative advocacy:

- Adopt a legislative agenda and/or take action that prioritizes the issue
- Contact your legislators
- Add your jurisdiction's name/logo to support letter(s)

Discussion questions:

- Which issues should be identified as C4 priorities?
- How can each member jurisdiction/entity play a role in legislative advocacy?

*MARKLEY - QUESTION ON SURPRISE CORRIDOR. STAFF ADVISED NO TRANSPORT PKG THIS YEAR SO FOCUS ON I-205. 2020 METRO REGIONAL TRANSPORT PROJECT TO ALSO ASSIST w/ SURPRISE TO METRO POINT 7 TO REQUEST STATE FUNDING.*

# DRAFT

## SUMMARY

Requires Department of Transportation to consult with certain local governments impacted by state or federal highway bridge project if project costs at least \$200 million.

Authorizes issuance of lottery bonds for Interstate 205 Abernethy Bridge Project.

Authorizes issuance of lottery bonds for Interstate 205 improvements from Abernethy Bridge to Interstate 5.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

Relating to transportation; and declaring an emergency.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1. (1) In carrying out a state or federal highway bridge project, the Department of Transportation shall consult with and consider advice and suggestions from local governments where the project is located and local governments whose boundaries border the project.**

**(2) This section applies to projects that the department estimates to cost at least \$200 million or more to complete.**

**SECTION 2. (1) For the biennium beginning July 1, 2019, at the request of the Oregon Department of Administrative Services, in consultation with the Department of Transportation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$250 million in net proceeds and interest earnings for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer**

NOTE: Matter in boldfaced type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in boldfaced type.

1 to be necessary to pay bond-related costs.

2 (2) Net proceeds of lottery bonds issued pursuant to this section  
3 must be transferred to the Department of Transportation for deposit  
4 in the State Highway Fund established under ORS 366.505 in an  
5 amount sufficient to provide \$250 million for the department to com-  
6 plete the Interstate 205 Abernethy Bridge Project.

7 (3) The Legislative Assembly finds that the use of lottery bond  
8 proceeds will create jobs, further economic development, finance pub-  
9 lic education or restore and protect parks, beaches, watersheds and  
10 native fish and wildlife, and is authorized based on the following  
11 findings:

12 (a) Public investment in transportation infrastructure will create  
13 jobs and further economic development in this state.

14 (b) Improvements to bridges moves people and goods efficiently.

15 SECTION 3. (1) For the biennium beginning July 1, 2019, at the re-  
16 quest of the Oregon Department of Administrative Services, in con-  
17 sultation with the Department of Transportation, the State Treasurer  
18 is authorized to issue lottery bonds pursuant to ORS 286A.560 to  
19 286A.585 in an amount that produces \$100 million in net proceeds and  
20 interest earnings for the purpose described in subsection (2) of this  
21 section, plus an additional amount estimated by the State Treasurer  
22 to be necessary to pay bond-related costs.

23 (2) Net proceeds of lottery bonds issued pursuant to this section  
24 must be transferred to the Department of Transportation for deposit  
25 in the State Highway Fund established under ORS 366.505 in an  
26 amount sufficient to provide \$100 million for the department to begin  
27 construction of improvements of Interstate 205 beginning on the por-  
28 tion of Interstate 205 at its intersection with the Abernethy Bridge and  
29 ending at its intersection with Interstate 5.

30 (3) The Legislative Assembly finds that the use of lottery bond  
31 proceeds will create jobs, further economic development, finance pub-

1 lic education or restore and protect parks, beaches, watersheds and  
2 native fish and wildlife, and is authorized based on the following  
3 findings:

4 (a) Public investment in transportation infrastructure will create  
5 jobs and further economic development in this state.

6 (b) Improvements to highways moves people and goods efficiently.

7 SECTION 4. This 2019 Act being necessary for the immediate pres-  
8 ervation of the public peace, health and safety, an emergency is de-  
9 clared to exist, and this 2019 Act takes effect on its passage.

10

## Memorandum

**To:** Clackamas County Coordinating Committee (C4)  
**From:** Trent Wilson, Clackamas County Government Affairs Specialist  
**Date:** December 6, 2018  
**RE:** C4 Executive Committee Urban Cities Seat

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### Overview:

Urban cities need to select a temporary representative for the C4 Executive Committee. At a minimum, the new representative will serve until the March 7, 2019 C4 meeting. Councilor Jeff Gudman (Lake Oswego), who currently serves as the urban city executive committee representative, is stepping down as a result of the term-limitation for Lake Oswego city council seats.

C4 will select its full 2019 Executive Committee membership at the March 7, 2019 meeting. Urban cities may elect to reaffirm the appointment made in December 2018 or select a new member.

### General commitment of Executive Committee members:

- Attend one executive committee per month (typically 1<sup>st</sup> Monday at 5:30pm)
- Coordinate with and advocate for other C4 members to ensure the agenda reflects C4 member interests.
- Reply to emails, as needed.

### C4 Bylaws regarding the C4 Executive Committee:

#### 3. EXECUTIVE COMMITTEE

The Executive Committee shall be comprised of a representative of: (a) the board of county commissioners, (b) an urban city, (c) a rural city, (d) water and sewer districts, (e) fire districts, and f) Hamlets, Villages, and CPOs. The Executive Committee will establish the agendas for meetings of C-4, including additional agenda request items that may be made as set forth in section 5(G) of these Bylaws, and may make recommendations to the C-4 body on action items as appropriate. C-4 Metro Jurisdiction cities and Rural Cities shall elect their respective Executive Committee representatives annually at the March C-4 Regular meeting. Special Districts shall annually determine their own Executive Committee representative selection process and shall submit the name of the appointment by a letter signed by the chairs of the special district boards to the Secretary of C-4 at or before the March C-4 meeting.





A regular meeting of the Sunrise Water Authority Board of Commissioners, is to be held on **Wednesday, November 28, 2018 - 6:00 p.m.** at Sunrise Water Authority, 10602 SE 129<sup>th</sup> Avenue, Happy Valley, Oregon, 97086.

## AGENDA

### CALL REGULAR MEETING TO ORDER

- Pledge of Allegiance
- Approval of Agenda
- Outstanding Items

### OATH OF OFFICE: ANDY COATE

### PUBLIC COMMENT

Please sign the attendance sheet. Members of the public are welcome to speak for a maximum of three minutes. Public comment provided at the beginning of the agenda will be reserved for comment on special presentations, letters and complaints. Public comment related to specific agenda items must be held until the board addresses that item.

### BOARD TRAINING: ROLE, ETHICS AND GOVERNANCE (GUEST JEFF GRIFFIN)

#### 1. CONSENT AGENDA

- 1.1 Approval of Minutes of October 24, 2018
- 1.2 Termination of SWA Easement

#### 2. DISCUSSION ITEMS

- 2.1 Financial Statements – October 2018
- 2.2 Maintenance Bond Requirements on Public Agency Projects
- 2.3 Convene as LCRB: Notice of Intent to Award a Construction Contract for the SE Sunnycreek Pipeline Replacement Project

#### 3. STAFF REPORTS

- 3.1 Manager's Update
- 3.2 Engineering & Construction Reports
- 3.3 Operational Reports

#### 4. BOARD BUSINESS

- 4.1 Board Calendar
- 4.2 Liaison Reports
- 4.3 Information Items
- 4.4 Future Agenda Items

#### 5. EXECUTIVE SESSION

An Executive Session of the Sunrise Water Authority Board of Commissioners will be conducted pursuant to ORS 192.660 (2)(e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

**POSTED PER REQUIREMENTS, WEDNESDAY, NOVEMBER 21, 2018** The meeting site is accessible to persons with disabilities. Requests for an interpreter for the hearing impaired should be directed to Cindy Wolff at 503-761-0220 or [cwolff@sunrisewater.com](mailto:cwolff@sunrisewater.com) at least 48-hours in advance.



**Sunrise Water Authority  
November 28, 2018 Board Meeting  
Paul Gornick's Notes**

- **Andy Coate was sworn in as the new Zone #4 commissioner.**
- **Board passed the consent agenda which included termination of an easement that is no longer needed.**
- **Board approved financial statements for the prior period.**
- **Board continued discussion of the Maintenance Bond requirements on Public Agency projects, and requested the General Manager put this on a work list for staff.**
- **Ernie Platt announced that Stan Tempchin has resigned his appointed position as Zone #2 commissioner. The board will select a replacement from the previous applicants for this position.**
- **At the recommendation of the outside auditor, district will record loans from the General Fund to pay for capital improvements as such. These loans are to fund projects in advance of receiving SDC revenue.**
- **Board convened the LCRB to approve the intent to award contract for SE Sunnycreek Pipeline replacement project.**
- **General Manager gave his update report and staff gave engineering and construction reports.**
- **Board discussed the future calendar and gave their liaison reports.**
- **The open meeting was recessed and the board went into executive session to discuss a real estate transaction.**



## **AGENDA ITEM**

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**Agenda Item:** Executive Session  
**Item No.:** 15  
**Presenters:** N/A

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### **Background:**

Recess to Executive Session under ORS 192.660 2(f) to consider information or records that are exempt by law from public inspection and 2(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.





## AGENDA ITEM

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**Agenda Item:** Adjourn Executive Session  
**Item No.:** 16  
**Presenters:** N/A

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**Background:**

Adjourn Executive Session and make any necessary motions as a result of Executive Session discussions.