

OAK LODGE WATER SERVICES

BOARD OF DIRECTORS

SPECIAL MEETING



September 10, 2020

“Enhancing Our Community’s Water Environment”



REMOTE MEETING

Board Attendance by Zoom Video/Telephone

Public Attendance by Telephone Only

September 10, 2020 at 1:00 p.m.

1. Call to Order and Meeting Facilitation Protocols
2. Call for Public Comment

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

3. Community Briefing Materials and Communications Workshop
4. Consideration of Personal Services Contract for a Utility Rate Study
5. Public Records Policy Workshop
6. Call for Public Comment

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

7. Adjourn Regular Meeting

AGENDA ITEM

Title	Call for Public Comment
Item No.	2
Date	September 10, 2020

Summary

The Board of Directors welcomes comment from members of the public.

Written comments may not be read out loud or addressed during the meeting, but all public comments will be entered into the record.

The Board of Directors may elect to limit the total time available for public comment or for any single speaker depending on meeting length.

STAFF REPORT

To	Board of Directors
From	Sarah Jo Chaplen, General Manager
Title	Community Briefing Materials and Communications Workshop
Item No.	3
Date	September 15, 2020

Summary

Oak Lodge Water Services District has engaged Barney & Worth to prepare community briefing materials.

Background

Barney & Worth has developed draft community briefing materials for ongoing customer communications.

Recommendation

Staff requests Board of Directors discussion, input, and consensus on the community briefing materials.

Suggested Board Motion

"I move to approve the community briefing materials as presented."

Attachments

1. Communications Workshop Presentation



Meeting Agenda

Community Briefing Materials and Communications Workshop

Location: Teleconference (via Zoom)

Date: September 10, 2020

Time: 1-3 pm

Speakers: Pat McCormick, AM:PM
Libby Barg Bakke, Barney & Worth
Aubrie Koenig, Barney & Worth

Resources: Connecting and Communicating with Ratepayers Presentation
Draft Community Briefing Presentation

AGENDA

Meeting Purpose: Share best practices for customer communications and invite review feedback to help finalize new community briefing materials.

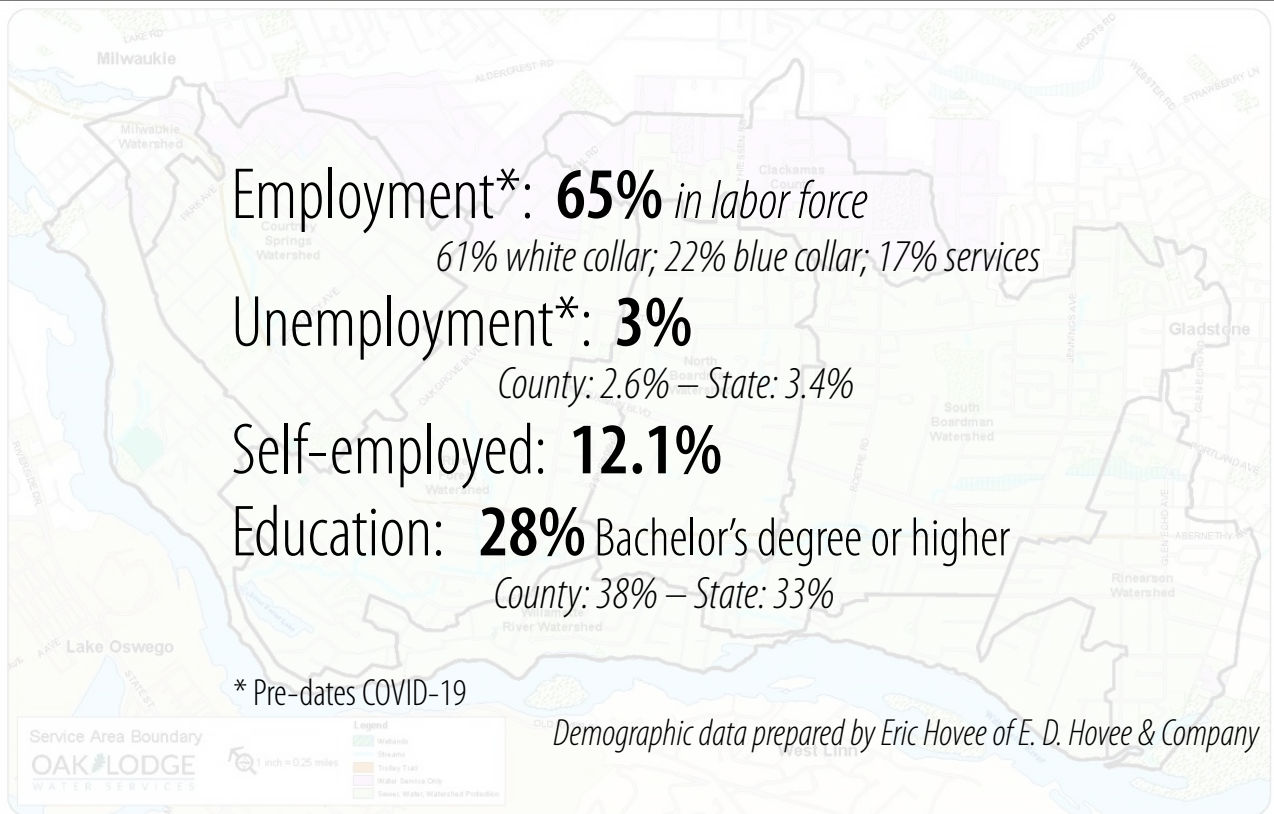
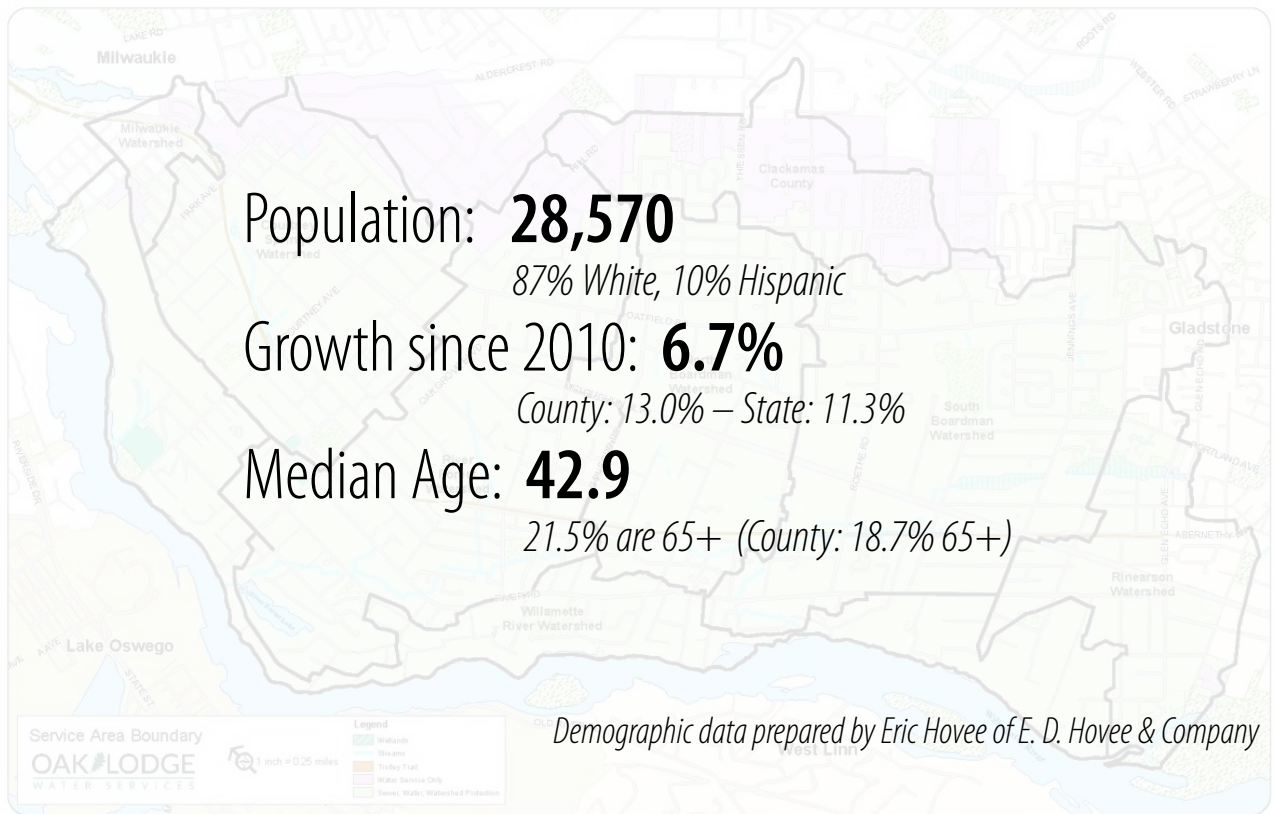
1. **Welcome** – 15 mins
 - a. Introductions
2. **Connecting and Communicating with Ratepayers** – 45 mins
 - a. Service area demographics highlights
 - b. News sources and media trends
 - c. Delivering messages
3. **Community Briefing Materials** – 45 mins
 - a. Overview of content
 - b. Review input from Board
4. **Adjourn** – 15 mins
 - a. Preview Communications Plan next steps

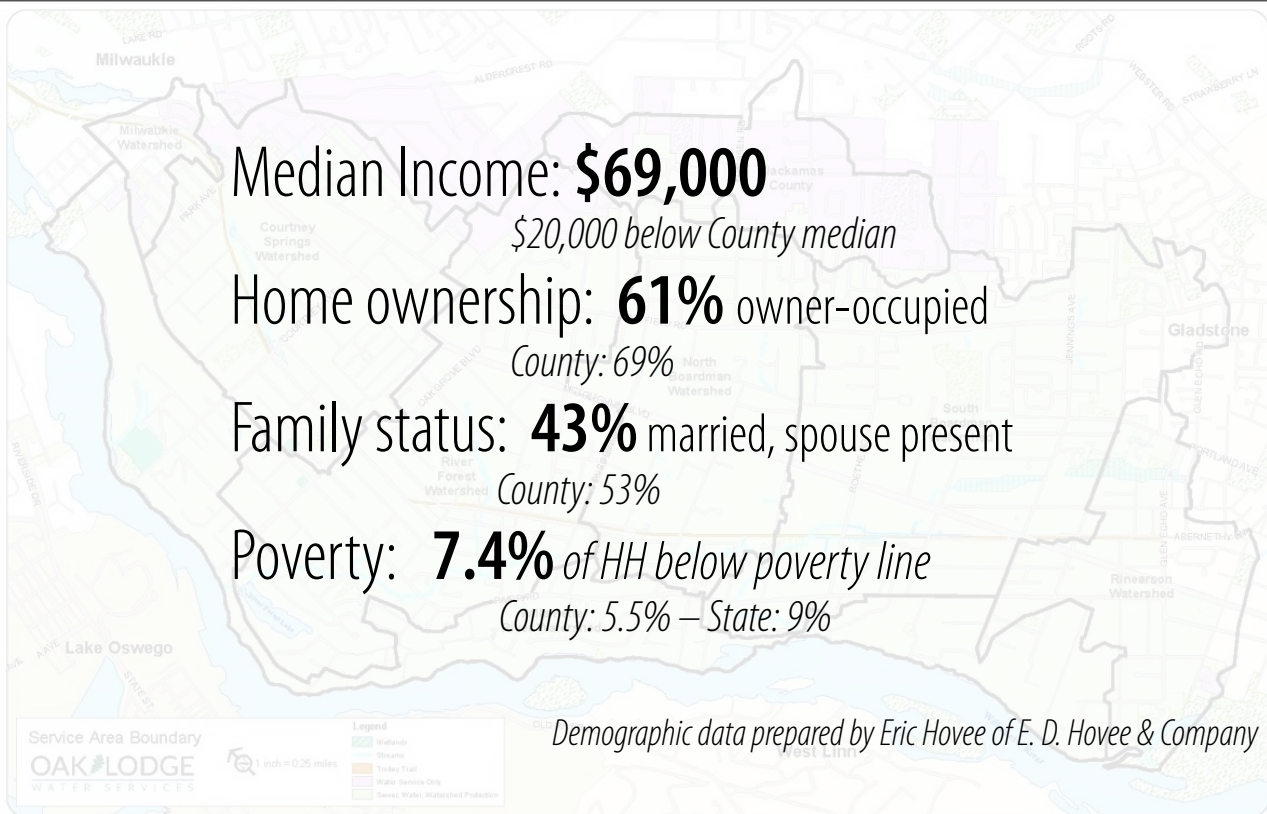
Connecting with ratepayers to **deliver your messages**



September 10, 2020







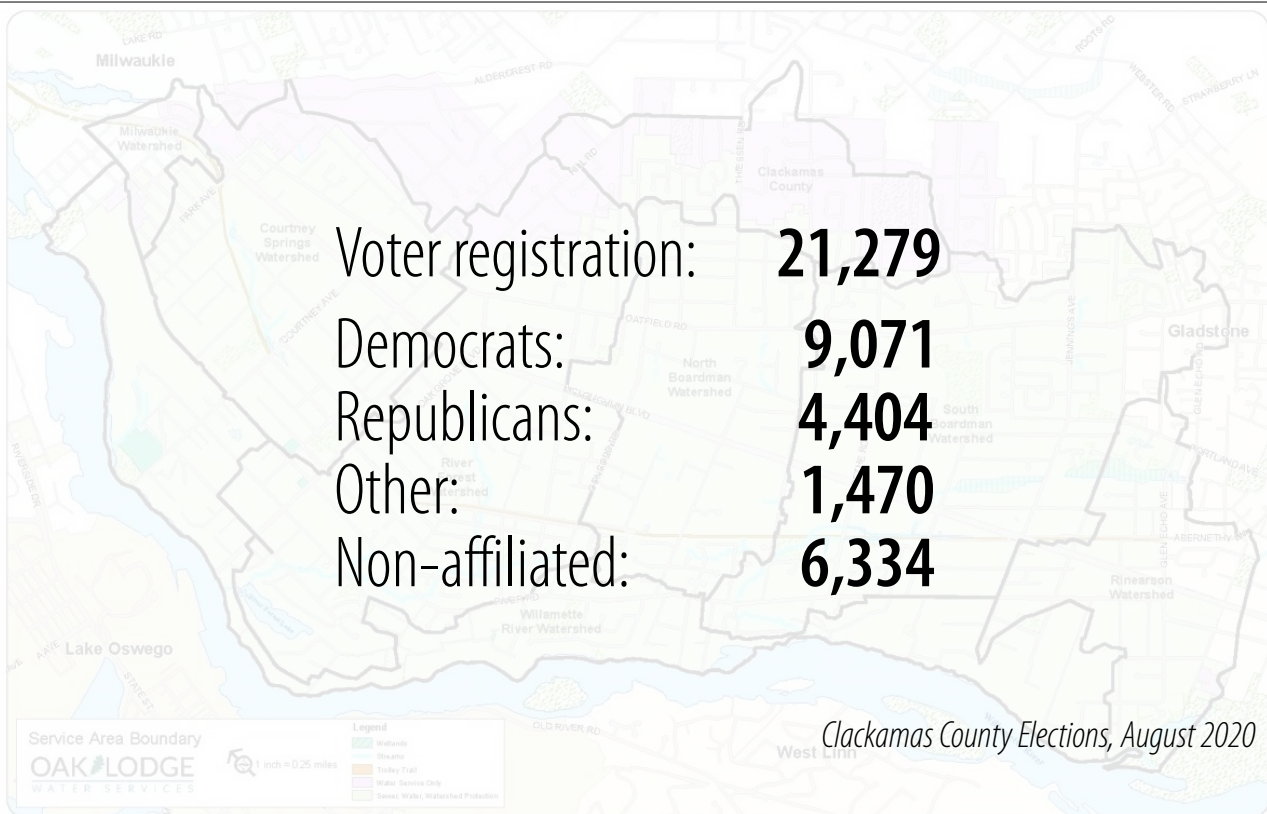
Median Income: **\$69,000**
\$20,000 below County median

Home ownership: **61%** owner-occupied
County: 69%

Family status: **43%** married, spouse present
County: 53%

Poverty: **7.4%** of HH below poverty line
County: 5.5% – State: 9%

Demographic data prepared by Eric Hovee of E. D. Hovee & Company



Voter registration: **21,279**

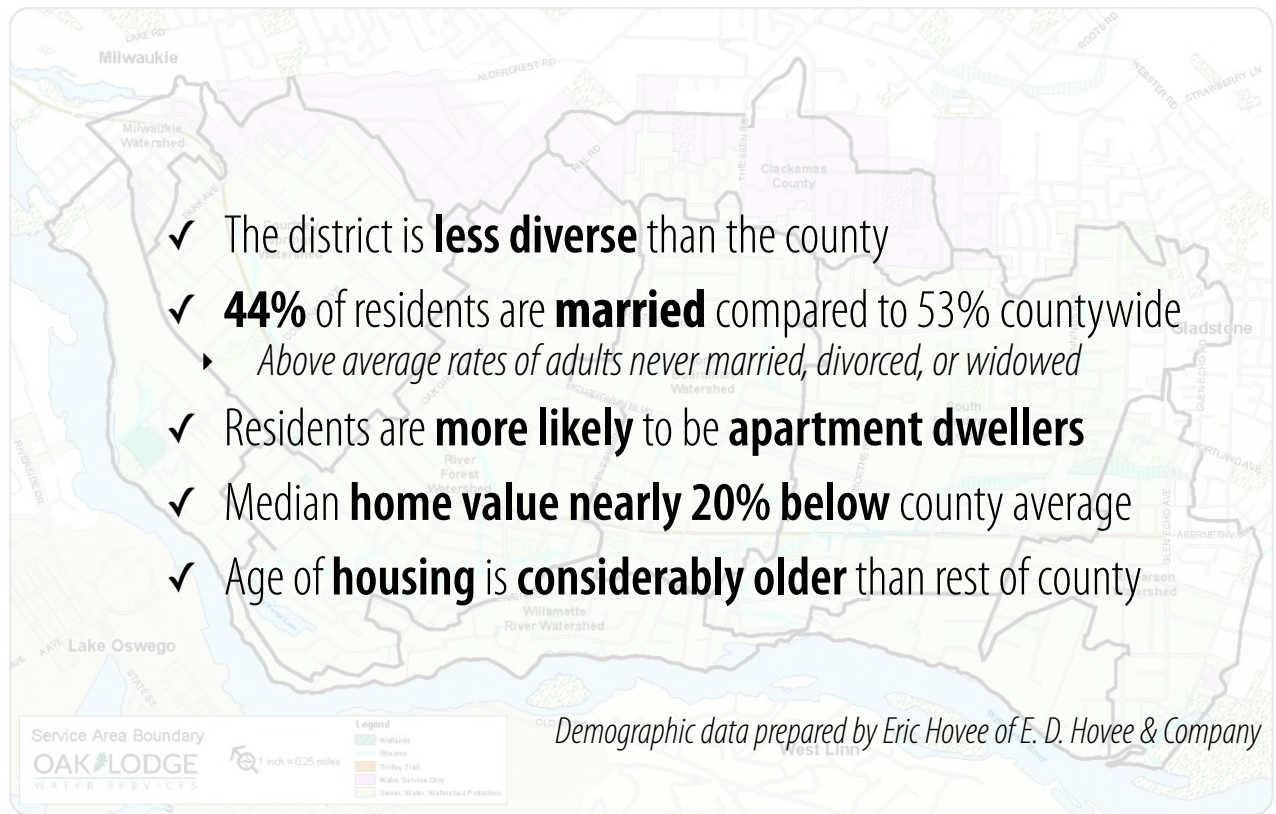
Democrats: **9,071**

Republicans: **4,404**

Other: **1,470**

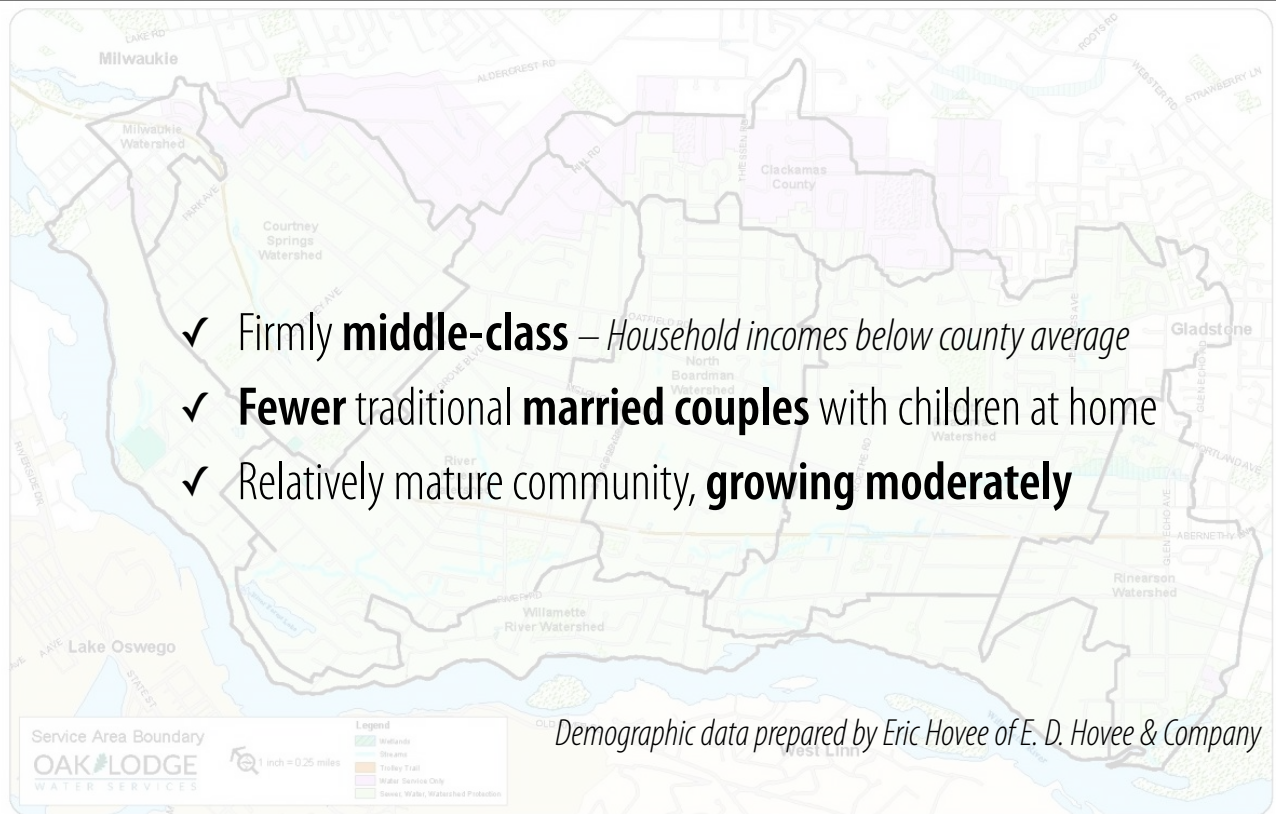
Non-affiliated: **6,334**

Clackamas County Elections, August 2020



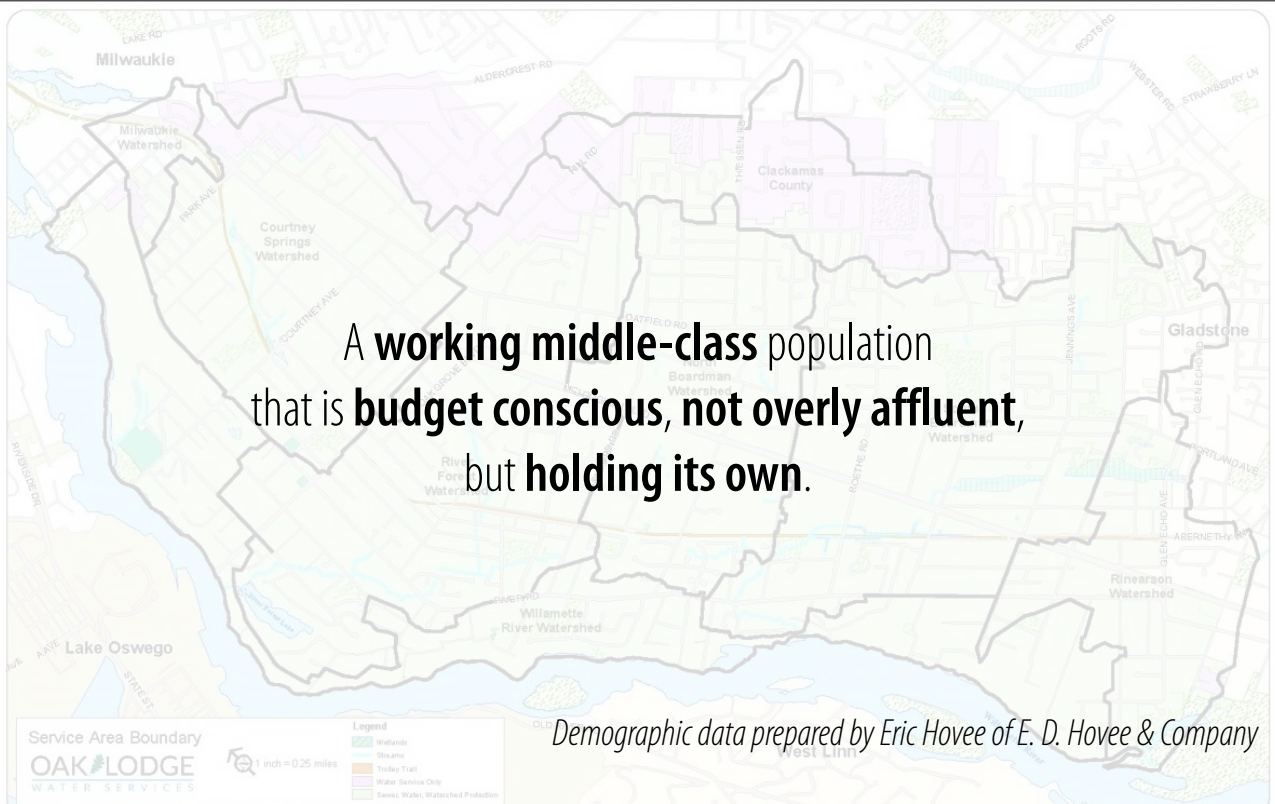
- ✓ The district is **less diverse** than the county
- ✓ **44%** of residents are **married** compared to 53% countywide
 - ▶ *Above average rates of adults never married, divorced, or widowed*
- ✓ Residents are **more likely** to be **apartment dwellers**
- ✓ Median **home value nearly 20% below** county average
- ✓ Age of **housing is considerably older** than rest of county

Demographic data prepared by Eric Hovee of E. D. Hovee & Company



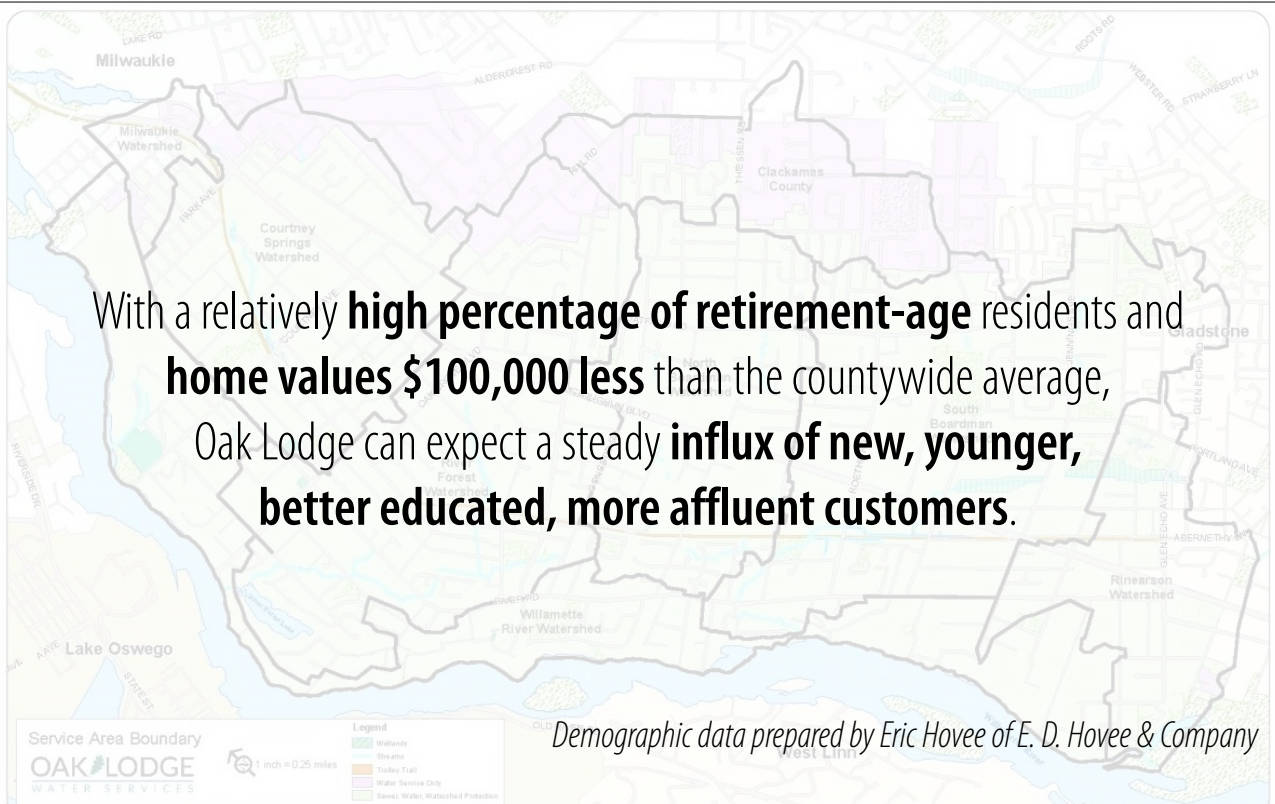
- ✓ Firmly **middle-class** – *Household incomes below county average*
- ✓ **Fewer** traditional **married couples** with children at home
- ✓ Relatively mature community, **growing moderately**

Demographic data prepared by Eric Hovee of E. D. Hovee & Company



A **working middle-class** population
that is **budget conscious, not overly affluent,**
but **holding its own.**

Demographic data prepared by Eric Hovee of E. D. Hovee & Company



With a relatively **high percentage of retirement-age** residents and
home values \$100,000 less than the countywide average,
Oak Lodge can expect a steady **influx of new, younger,**
better educated, more affluent customers.

Demographic data prepared by Eric Hovee of E. D. Hovee & Company



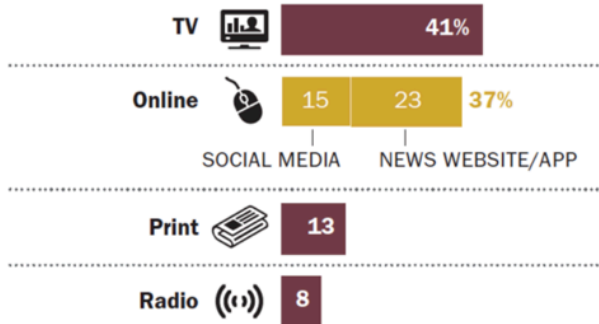
The map displays the service area boundary for Oak Lodge Water Services, which includes several watersheds: Milwaukie, Courtney Springs, River Forest, Willamette River, North Boardman, Gladstone, and Rinearson. It also shows major roads like Aldercrest Rd, Oakfield Rd, and various streets in the cities of Milwaukie, Gladstone, and West Linn. A legend in the bottom left corner identifies symbols for the Service Area Boundary, Network, Streams, Trunk/Tail, Water Service Drop, and Sewer/Water/Wastewater Production. A scale of 1 inch = 0.25 miles is provided.

Connecting and communicating with your ratepayers

Where do people get their news?

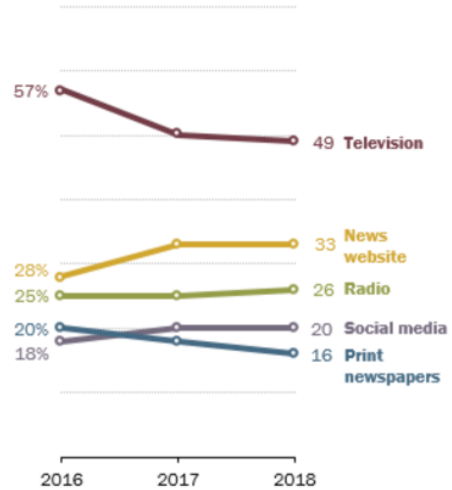
Where do people get their news?

% of U.S. adults who get news *often* on each platform



Source: Survey conducted Oct. 15-Nov. 8, 2018.
 "For Local News, Americans Embrace Digital but Still Want Strong Community Connection"

PEW RESEARCH CENTER



Note: The difference between social media and print newspapers in 2017 was not statistically significant.

Source: Survey conducted July 30-Aug. 12, 2018.



Oregon newspapers

	<u>Daily</u>	<u>Weekly</u>	<u>Total</u>
2004:	18	86	104

Source: University of North Carolina Center for Innovation and Sustainability in Local Media



Oregon newspapers

	<u>Daily</u>	<u>Weekly</u>	<u>Total</u>
2019:	16	69	85

Source: University of North Carolina Center for Innovation and Sustainability in Local Media



Oregon newspaper circulation

	<u>Daily</u>	<u>Weekly</u>	<u>Total</u>
2004:	660,000	690,000	1.4 million

Source: University of North Carolina Center for Innovation and Sustainability in Local Media

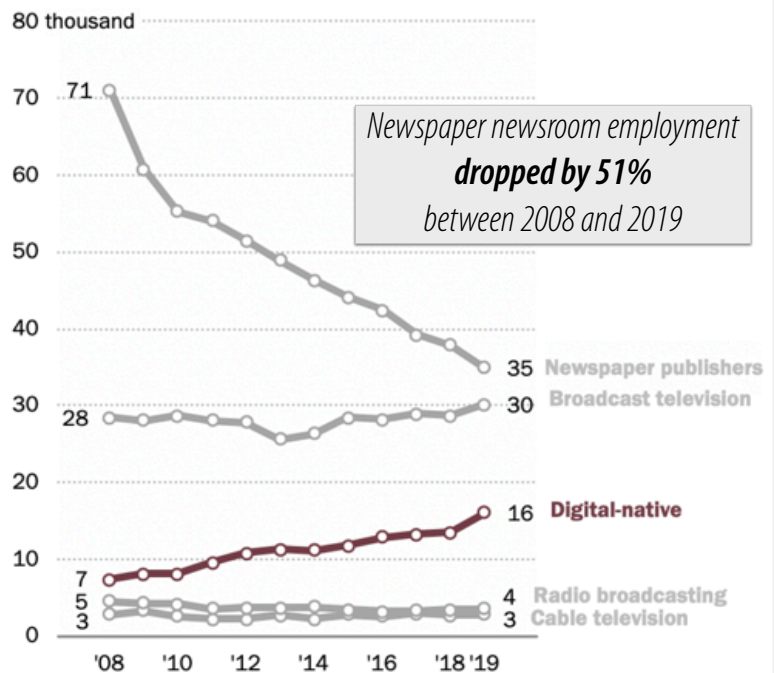


Oregon newspaper circulation

	<u>Daily</u>	<u>Weekly</u>	<u>Total</u>
2019:	365,000	431,000	796,000

Source: University of North Carolina Center for Innovation and Sustainability in Local Media

Number of U.S. newsroom employees in each news industry – 2008-2019

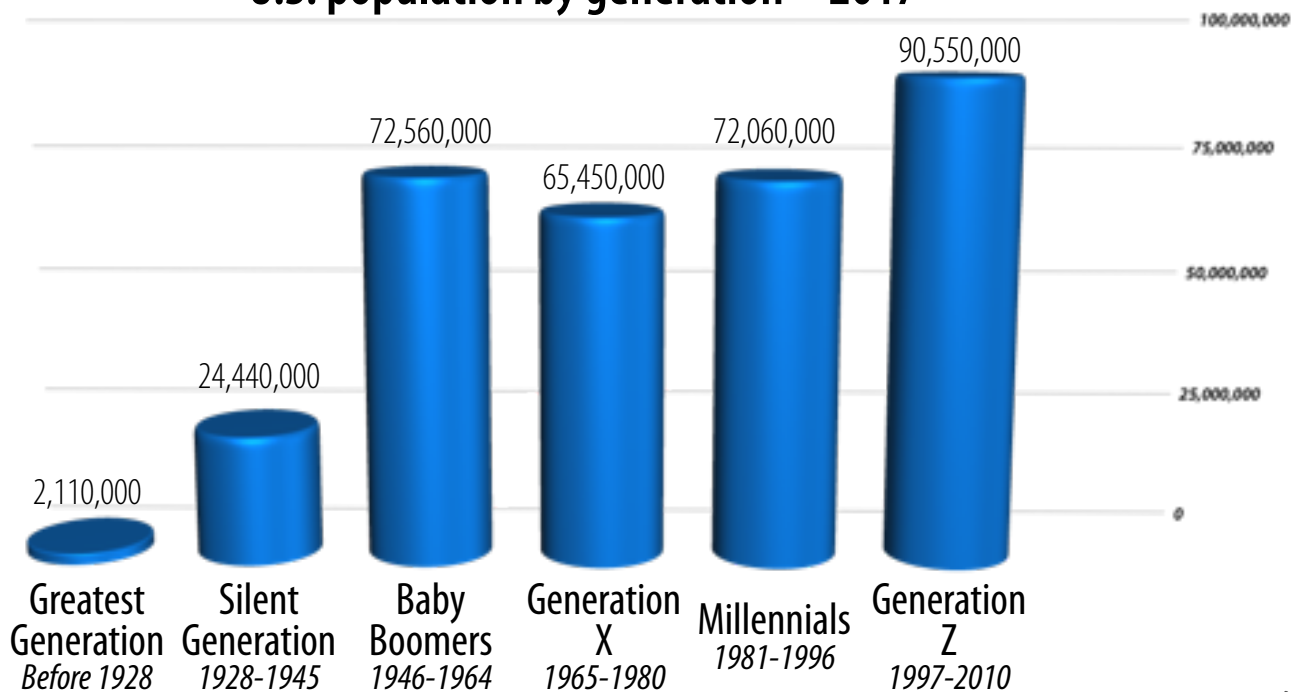


Note: The OES survey is designed to produce estimates by combining data collected over a three-year period. Newsroom employees include news analysts, reporters and journalists; editors; photographers; and television, video and film camera operators and editors. Digital-native sector data is based on "other information services" industry code, whose largest segment is "internet publishing and broadcasting and web search portals."
Source: Pew Research Center analysis of Bureau of Labor Statistics Occupational Employment Statistics data.

PEW RESEARCH CENTER

Generational communications differences are driving the media evolution.

U.S. population by generation – 2017

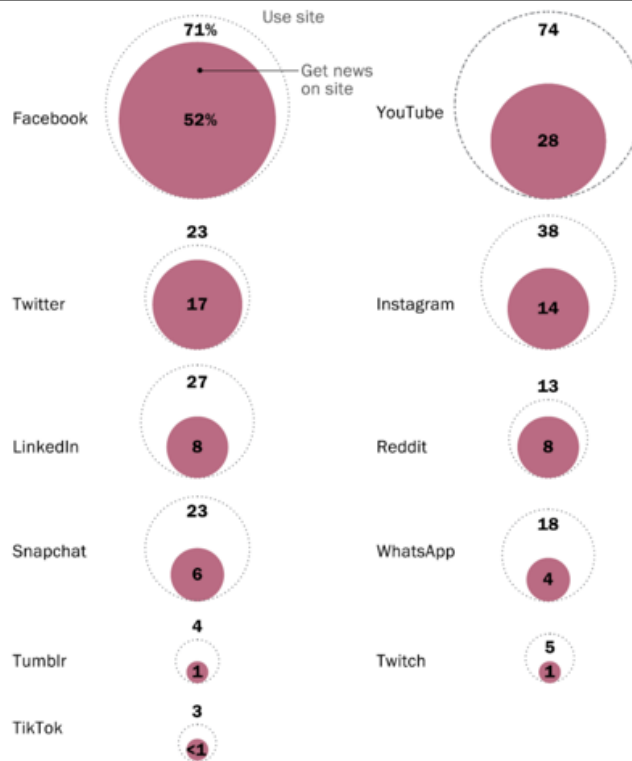


Two-thirds of U.S. adults **get news** from **social media**.

Pew Research Center – August, 2017

% of adults who use site; get news on site

Social media sites as pathways to news

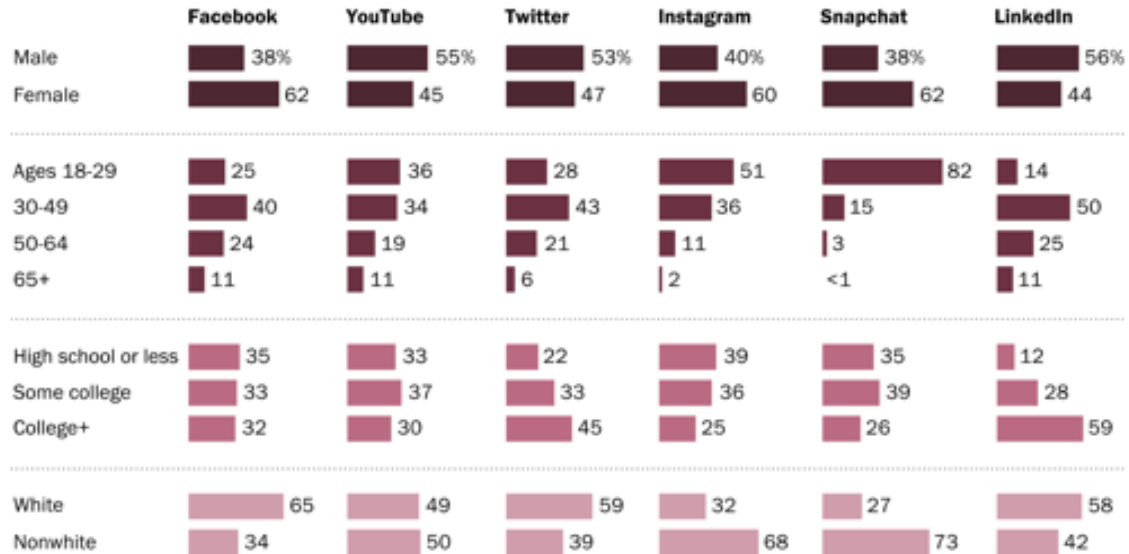


Source: Survey conducted July 8-21, 2019.

PEW RESEARCH CENTER

Social media news user profiles

% of each social media site's news users who are ...



Note: Tumblr, Reddit, and WhatsApp not shown. Nonwhite includes all racial and ethnic groups, except non-Hispanic white.

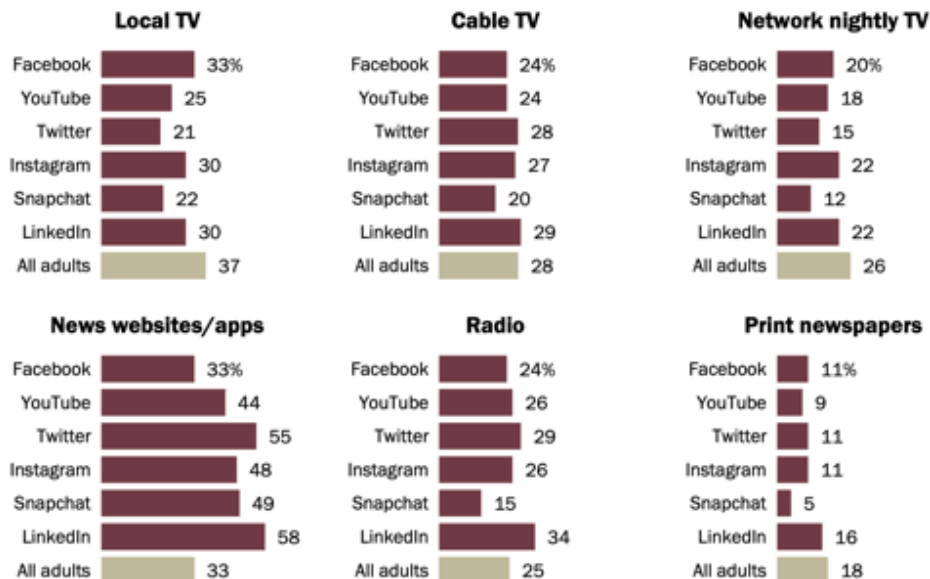
Source: Survey conducted Aug. 8-21, 2017.

"News Use Across Social Media Platforms 2017"

PEW RESEARCH CENTER

Use of traditional news platforms by social media news users

% of each social media site's news users who often get news from ...



Note: Reddit, Tumblr, and WhatsApp not shown.

Source: Survey conducted Aug. 8-21, 2017 among U.S. adults.

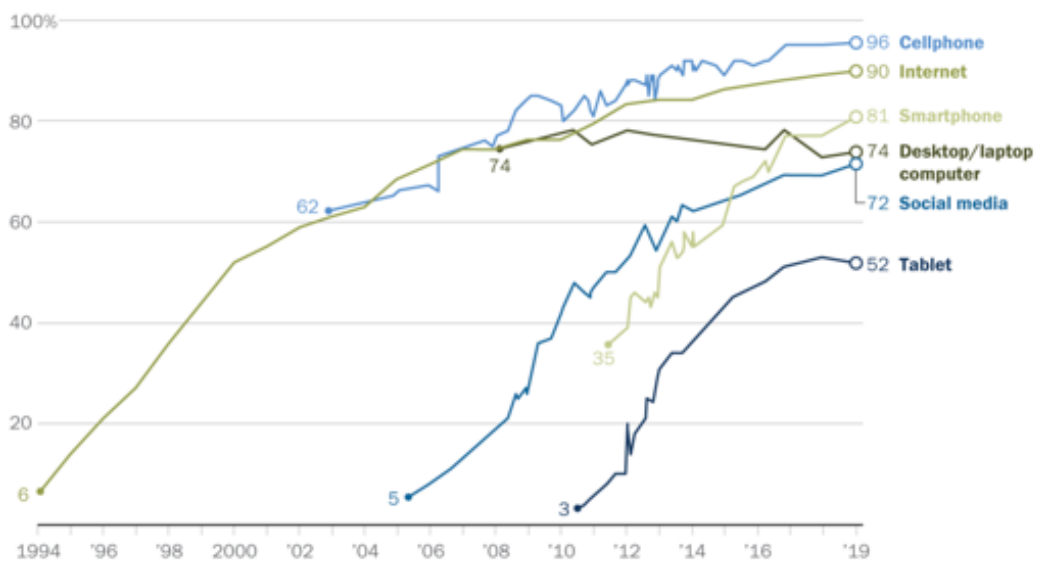
"News Use Across Social Media Platforms 2017"

PEW RESEARCH CENTER

Increasingly, people are **accessing** their **news** on **mobile** devices.

Use of mobile devices, social media in U.S. rose sharply in 2010s

% of U.S. adults who say they own or use each technology

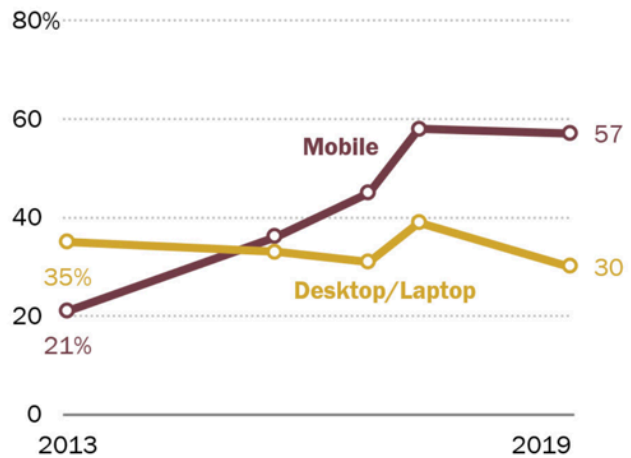


Source: Survey conducted Jan. 8-Feb. 7, 2019. Trend data are from Pew Research Center Surveys. Data on internet use from 2000-2016 are based on pooled analysis of all surveys conducted each year.

PEW RESEARCH CENTER

Nearly **six-in-ten** Americans often **get their news** on a **mobile device**.

% of U.S. adults who *often* get news from ...



Source: Survey conducted July 8-21, 2019.

PEW RESEARCH CENTER

Americans with **higher income, more education** are **more likely** to **get news** on a **mobile device**.

% of U.S. adults who *often* get news from ...

	Mobile	Desktop/Laptop
Total	57%	30%
Ages 18-29	72	23
30-49	68	30
50-64	47	31
65+	38	34
Men	57	35
Women	57	24
White	54	31
Black	59	25
Hispanic	63	23
HS or less	49	20
Some college	59	30
College+	65	41
<\$30K	52	21
\$30K-\$74,999K	56	29
\$75K+	64	37
Rep/Lean Rep	53	30
Dem/Lean Dem	62	30

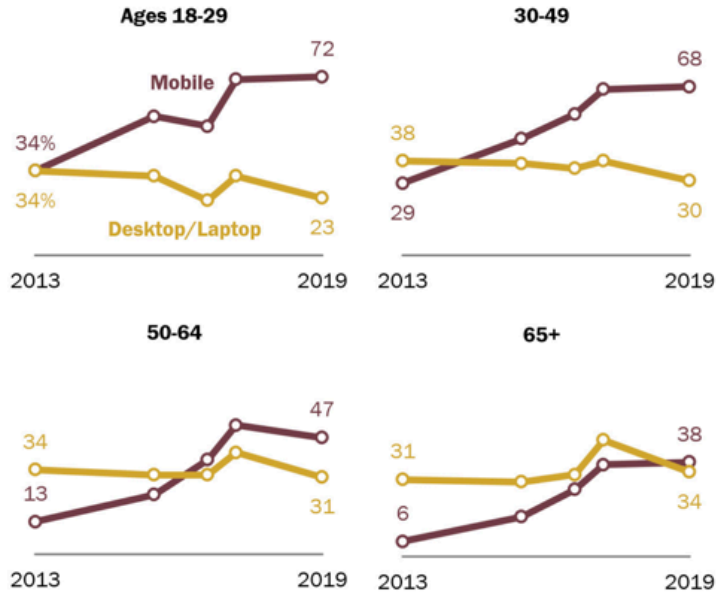
Note: Whites and blacks include only non-Hispanics; Hispanics can be of any race.

Source: Survey conducted July 8-21, 2019.

PEW RESEARCH CENTER

Both **older and younger** Americans are **increasingly** turning to **mobile devices** for news.

% of U.S. adults who often get news from ...



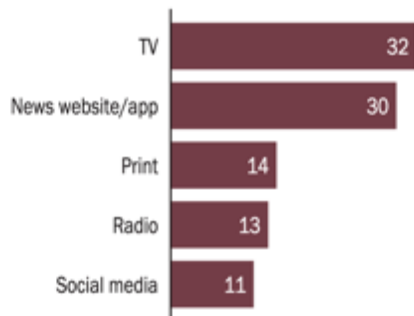
Source: Survey conducted July 8-21, 2019.

PEW RESEARCH CENTER

How Portland area residents get their local news

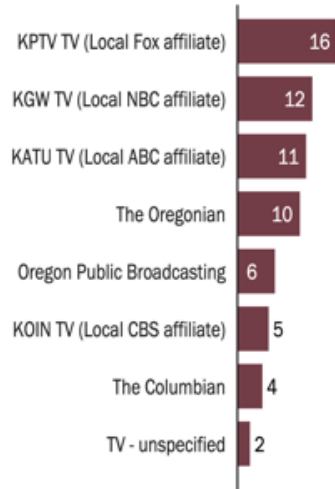
PREFERRED PATHWAY TO LOCAL NEWS

% of adults in the Portland, OR area who prefer to get their local news via ...



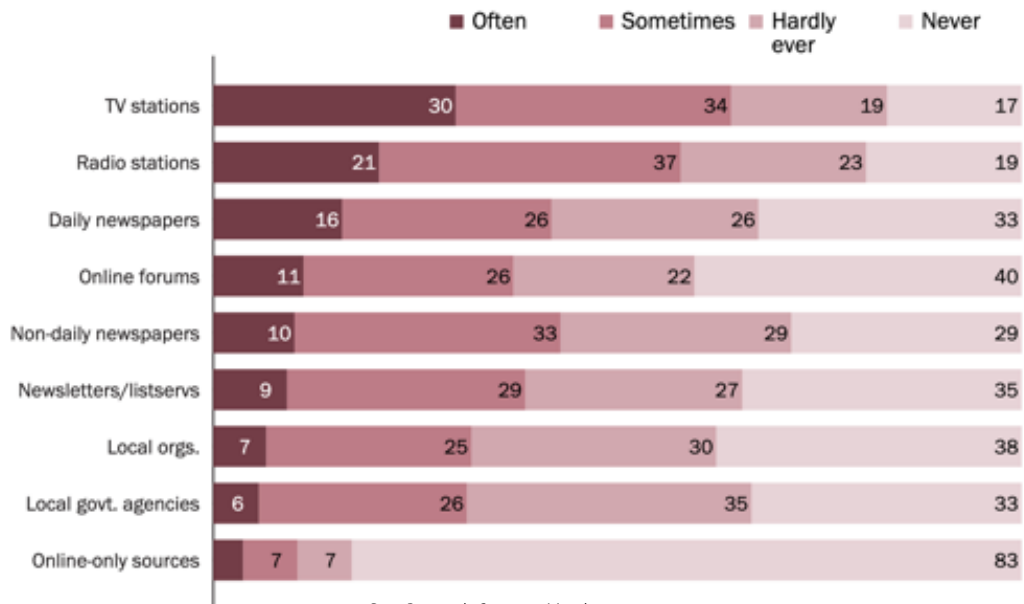
MAIN SOURCE FOR LOCAL NEWS

Based on responses to an open-ended question, % of adults in the Portland, OR area who most often get local news from ...



TYPES OF LOCAL NEWS PROVIDERS TURNED TO

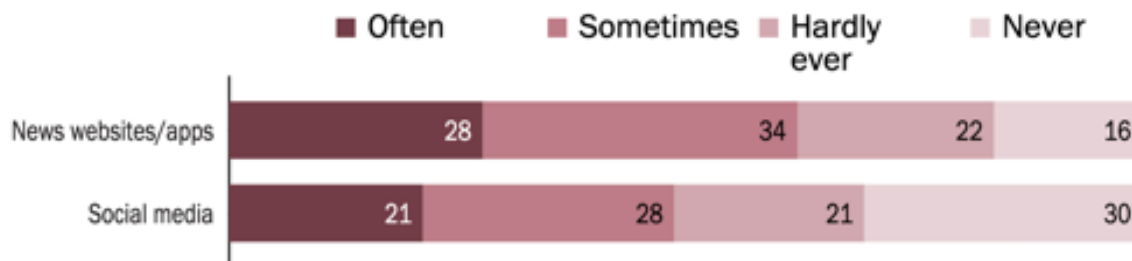
% of adults in the Portland, OR area who get local news from each type of provider



Pew Research Center – March, 2019

USE OF WEBSITES AND SOCIAL MEDIA FOR LOCAL NEWS

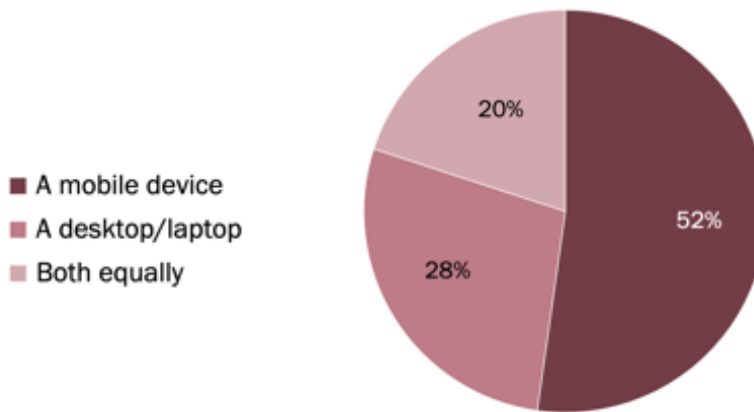
% of adults in the Portland, OR area who get local news from ...



Pew Research Center – March, 2019

DEVICES USED TO ACCESS LOCAL NEWS ONLINE

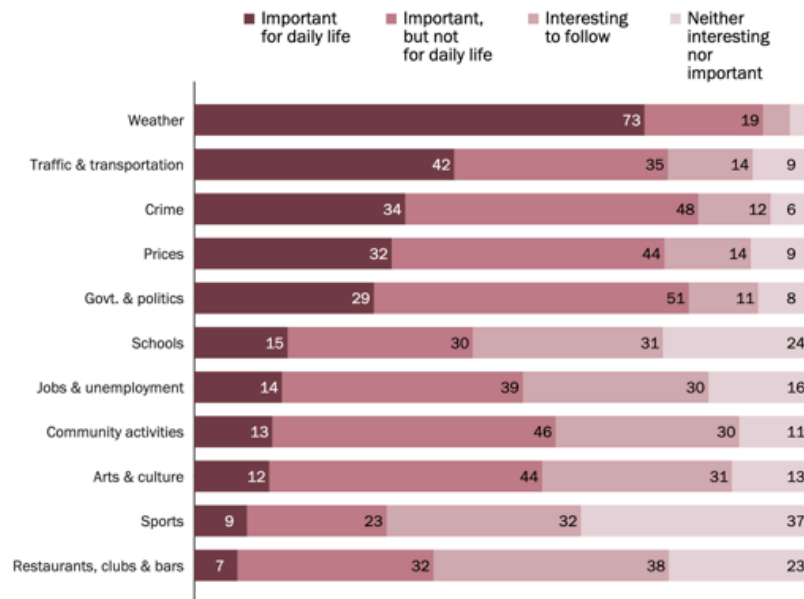
Among adults in the Portland, OR area who get local news online, % who primarily get it on ...



Pew Research Center – March, 2019

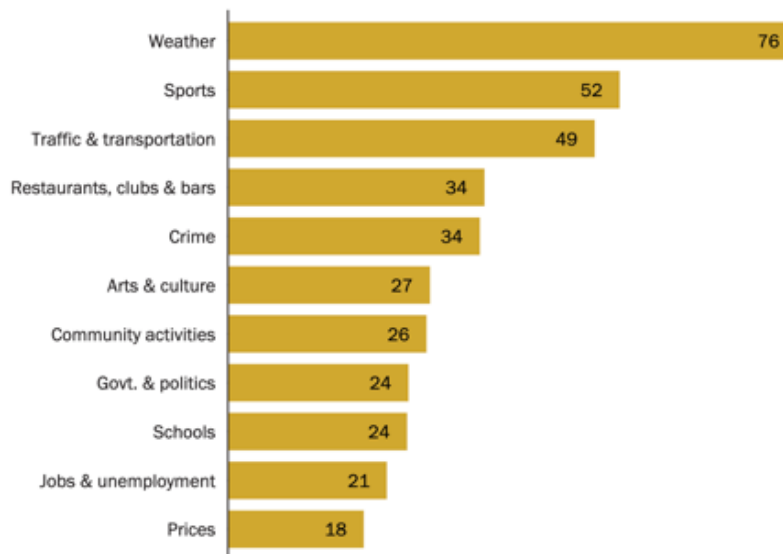
Local news topics important to people in Portland area

% of adults in the Portland, OR area who say each local news topic is ...



Pew Research Center – March, 2019

Among adults in the Portland, OR area who say each local news topic is important or interesting, % who say it is very easy to stay informed about it



Pew Research Center – March, 2019

The local news media's connection to the community

% of adults in the Portland, OR area who say ...

Local journalists are in touch with the community

74%

Local journalists are out of touch with the community

26%

Local news media have a lot of influence

40%

Local news media do not have much influence

60%

They have spoken with a local journalist

21%

They have not spoken with a local journalist

79%

Pew Research Center – March, 2019

LOCAL NEWS MEDIA COVERAGE

% of adults in the Portland, OR area who say their local news media mostly cover ...

The area where you live

55%

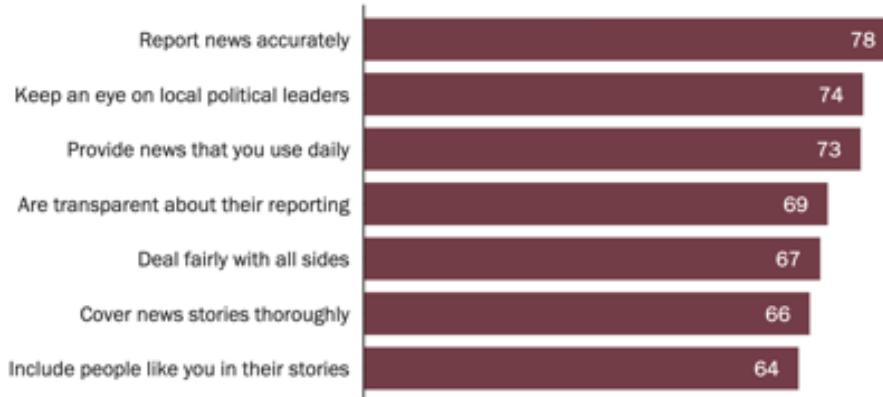
Another area, such as a nearby city

45%

Pew Research Center – March, 2019

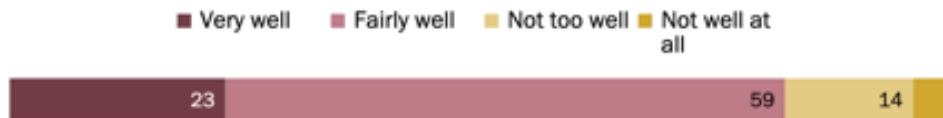
How Portland area residents rate their local news media

% of adults in the Portland, OR area who say their local news media do each of the following well



Pew Research Center – March, 2019

% of adults in the Portland, OR area who say the local news media do ___ at keeping them informed of the most important local stories of the day



CONFIDENCE IN MAIN LOCAL NEWS SOURCE

% of adults in the Portland, OR area who are ___ confident their main source for local news can get them the information they need



Pew Research Center – March, 2019

PAYING FOR LOCAL NEWS

% of adults in the Portland, OR area who have ___ in the past year

Paid for local news

19%

Not paid for local news

81%

Pew Research Center – March, 2019

Media megatrends...

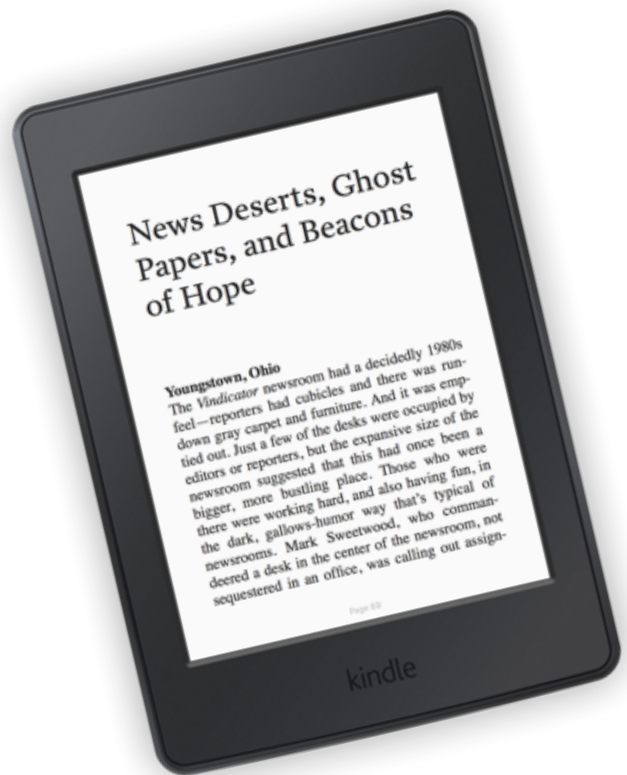
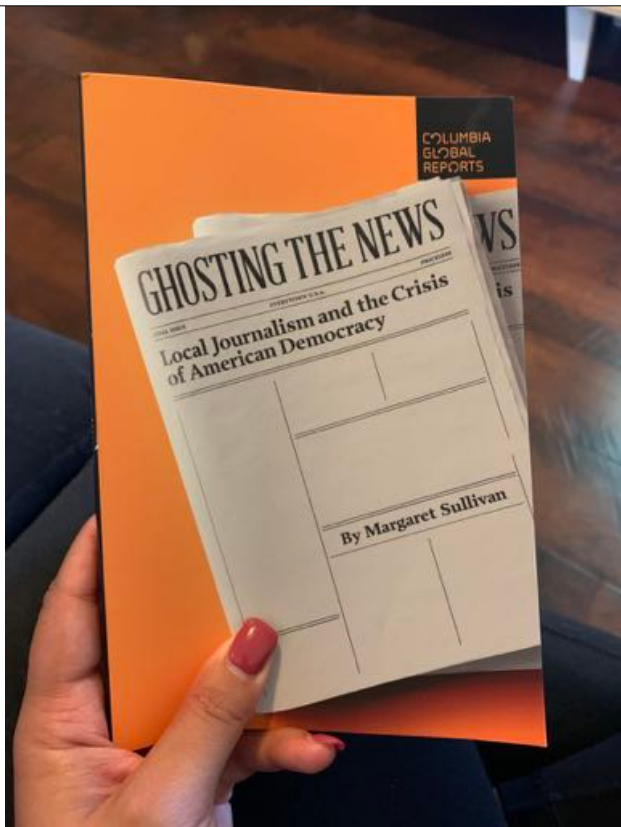


Media megatrends...

Consolidation

Media megatrends...

Fewer reporters and editorial writers



Media megatrends...

Constant content demand

Media megatrends...

Post first; correct later

Media megatrends...

Emphasis on **entertainment** more than **journalism**

Communications you control – Delivering your own news

Technologies disrupting traditional media are also
altering organizational communications.

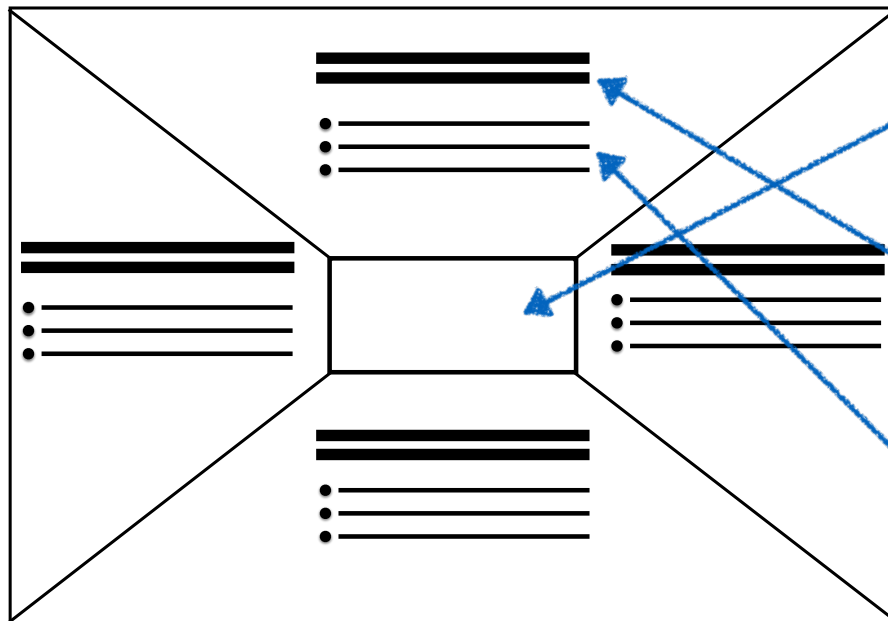
- ✓ Your website
- ✓ Internal communications
- ✓ Social media
- ✓ Newsletters
- ✓ E-mail/cellphone lists
- ✓ Nextdoor
- ✓ Alert systems



Building a **communications plan**

- ✓ *Step 1* – Build on the **organization's priorities**
- ✓ *Step 2* – **Situation** analysis
- ✓ *Step 3* – **Messaging**

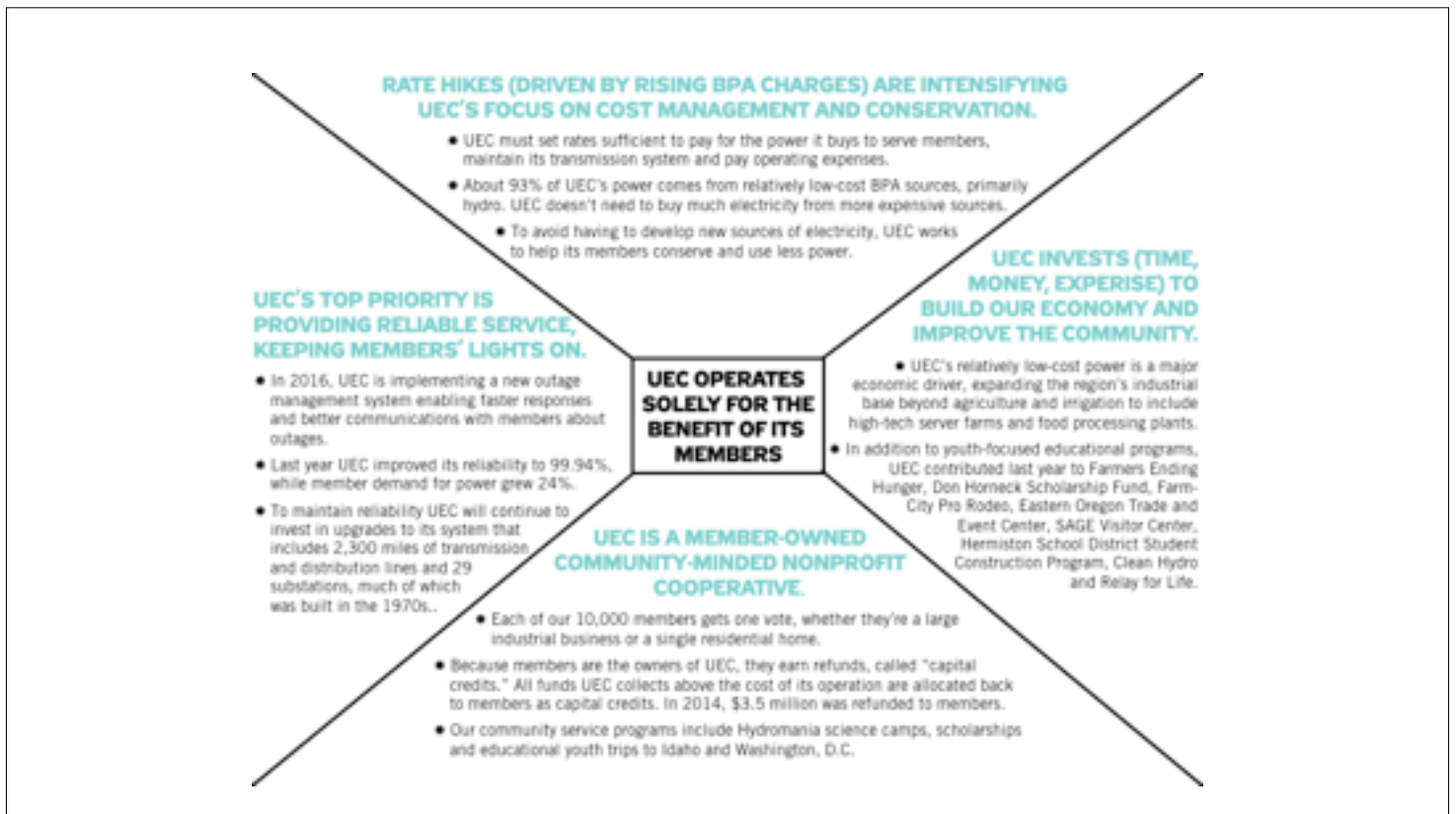
Message box



Goal, theme or conclusion (just a few words)

Message (limited to 12 words or fewer)

Proof or supporting points (At least 3 are needed)



- ✓ *Step 1* – Build on the **organization's priorities**
- ✓ *Step 2* – **Situation** analysis
- ✓ *Step 3* – **Messaging**
- ✓ *Step 4* – Identify and prioritize your **audiences**
- ✓ *Step 5* – Outline **strategies and tactics**
- ✓ *Step 6* – **Execute** (and refine) the plan
- ✓ *Step 7* – **Measure** results

Communications is a **two-way process**

"An attentive ear is the joy of the wise."

– Ecclesiasticus/Sirach 3:29

Questions? Comments?



September 10, 2020





An Update for Our Community

September 2020



Providing essential water services to our community



Our Goals



Protect public health



Keep our streams and rivers clean



Make smart investments and keep rates affordable



Provide excellent customer service

We never forget that we are working for you!

One District, three services – protecting public health and our water resources

Safe and reliable drinking water from the Clackamas River delivered to your tap.



Wastewater collected from your home or business cleaned and returned to the Willamette River.



Water quality in your local streams and rivers protected.



Your water is safe to drink and use during COVID-19

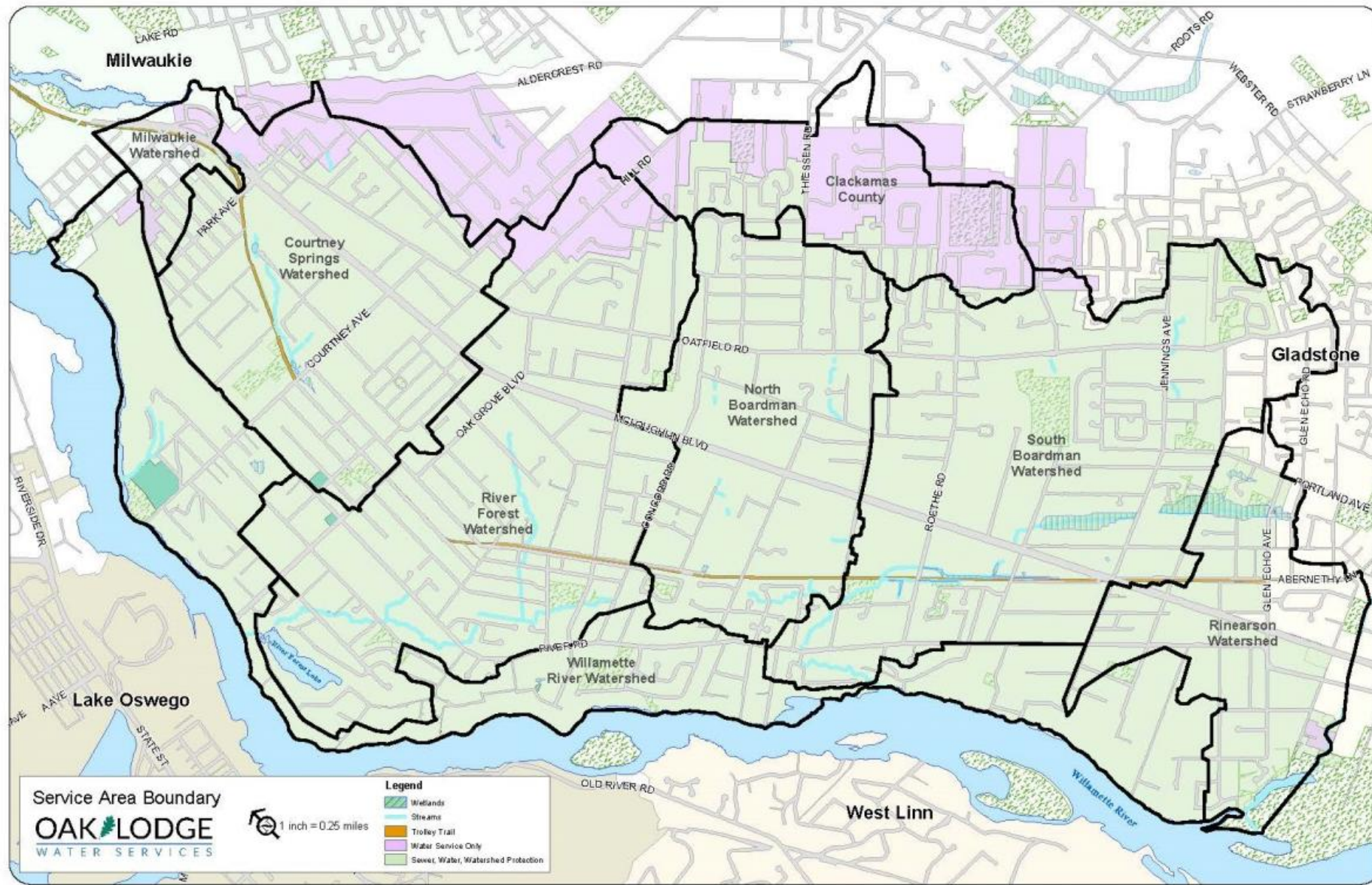
- The presence of the COVID-19 virus has not been detected in drinking water supplies.
- COVID-19 is mainly spread between people in close contact with one another.
- Our water treatment system removes or kills pathogens, including viruses.

Please note:

- ✓ Water shut offs are temporarily suspended
- ✓ Contact Customer Service to work out a payment plan or apply for low income assistance: 503-654-7765



We provide reliable service to more than 29,000 people 24/7.



Customers benefit from our partnership approach

Service Partners

- ✓ Clackamas County
- ✓ Clackamas River Water Providers
- ✓ North Clackamas County Water Commission
- ✓ Regional Water Providers Consortium

Community Partners

- ✓ Ecology in Classrooms and Outdoors
- ✓ Jennings Lodge Community Planning Organization
- ✓ Oak Lodge Community Emergency Response Team
- ✓ North Clackamas Chamber of Commerce
- ✓ EcoBiz
- ✓ North Clackamas Parks and Recreation District
- ✓ North Clackamas Watersheds Council
- ✓ Oak Grove Community Council
- ✓ Backyard Habitat Certification Program
- ✓ And more!



The Allen F. Herr Water Treatment Facility is owned by the District, Gladstone, and Sunrise Water Authority.

Your utilities are providing reliable services

- Looking to the future, continued investments in our infrastructure are needed to maintain the reliable services our community benefits from today.
- Investments will be balanced with rate affordability.





Drinking Water: delivering safe, reliable water at the tap

- ✓ Clackamas River—a high-quality water source
- ✓ Cost-saving partnership with Sunrise Water Authority and Gladstone for water treatment
- ✓ Water System Master Plan approved
- ✓ Water audit completed to identify ways to optimize our system
- ✓ Reservoir seismic resilience upgrades completed

What's Coming

- Future program to replace leaking water pipes
- Working to create an intertie for emergency water



Sanitary Sewer: collecting and cleaning wastewater

- ✓ Improved and expanded treatment plant doing well; meeting water quality permit requirements
- ✓ Collection and treatment systems work effectively for current customers and new development

What's Coming

- Sanitary Sewer System Master Plan
- Treatment plant refinement projects
- Future sewer pipe replacement program



Surface Water Management: protecting local streams & rivers

- District must comply with the Oregon Department of Environmental Quality's water quality permit requirements
- Clackamas County owns the roads and associated stormwater pipes
- Managing surface water is a responsibility shared by private property owners and public agencies
- Customers say they value protecting water quality; where flooding is chronic, homeowners seek solutions
- Adding services will likely require additional resources

What's Coming

- Stormwater sub-committee and public engagement
- Surface Water Management services study
- Engaging customers



FAQ: Did the consolidation make operations more efficient?

We've been diligently seeking efficiencies:

- ✓ Joint financial system in place
- ✓ New financial policies and practices in effect
- ✓ Financial audit completed
- ✓ Completing master plans
- ✓ Identified lead for asset management
- ✓ Developing and training staff

More coming soon:

- Implementing financial audit recommendations
- Improving asset management
- Completing a rate study

Decisions about the District's administrative buildings are on hold during COVID-19.



FAQ: I thought the consolidation was going to stop rate increases. Why did they go up?

Continuous investment in the maintenance and replacement of infrastructure is needed to maintain reliable services.

- Consolidation has kept rates from increasing as quickly as they would have without the consolidation.
- By implementing steady annual increases, we can prevent the need for large rate spikes.
- Cost drivers include responding to new regulations, purchasing materials and service, and providing medical and retirement benefits.
- Changes to Clackamas County Roadway Standards have caused projects impacting the roadway to increase by as much as 30%.

Our Goals



Protect public health



Keep our streams and rivers clean



Make smart investments and keep rates affordable



Provide excellent customer service

FAQ: What's happening with the District becoming an Authority?

- Discussions about the District becoming an Authority have been ongoing for many years.
- As an Authority, assets would remain in ownership of Oak Lodge, even if the service area is annexed.
- Maintaining ownership allows for long-range planning and stable, efficient and cost-effective service.
- We're engaging in a community conversation about this topic.



Questions?

Interested in volunteering? Contact us at:

503-654-7765 or billing@olwsd.org



Thank you!

503-654-7765

billing@olwsd.org

14496 SE River Road
Oak Grove, OR 97267

www.oaklodgewaterservices.org

OAK  **LODGE**
WATER SERVICES



STAFF REPORT

To Board of Directors
From Gail Stevens, Finance Director
Title Consideration of a Personal Services Contract for a Utility Rate Study
Item No. 4
Date September 10, 2020

Summary

Staff seeks authorization from the Board to approve the General Manager to sign a personal services contract with the Galardi Rothstein Group in the amount of \$72,000, for a utility rate study.

Background

The Oak Lodge Water Services District Board of Directors previously discussed the value of a comprehensive utility rate study in the context of adoption of the FY 2020-21 Budget. Such a rate study would encompass water, wastewater, and watershed protection utilities, the Board's philosophies on rates and customer impacts, and current levels of operations in establishing a rate structure for the District.

Oak Lodge Water Services' staff requires outside expertise and technical knowledge to complete the rate study. Deborah (Deb) Galardi of the Galardi Rothstein Group has worked with the former Oak Lodge Sanitary District in establishing structure and rate recommendations previously and is familiar with the current increasing block structure in place at Oak Lodge Water Services District. Ms. Galardi has capacity and expertise to perform the rate study for the District in a timeframe that is acceptable to District staff and can be completed during the current fiscal year.

Performance of the proposed rate study falls under the definition of personal services as defined by the District's procurement rules, and since the anticipated contract price is less than \$100,000, the District may directly contract with the Galardi Rothstein Group for this service.

The contract proposal from the Galardi Rothstein Group has estimated that the total contract price will not exceed \$72,000. The Board of Directors has already appropriated \$50,000 for the rate study in the Support Services Fund (Fund 05) of the current Adopted Budget. Additional resources from contingency for the rate study will be identified in a future resolution amending the FY 2020-21 adopted budget. District staff is not asking the Board to take this budget action today; staff will be preparing a supplemental budget to present to the Board at its September 15, 2020 meeting for the

Board to appropriate the remaining funds for the rate study. The only request before the Board of Directors today is to authorize the District entering into a contract for the rate study.

Recommendation

District staff recommends the Board authorize the General Manager to sign and execute a personal services contract with the Galardi Rothstein Group for the performance of a comprehensive utility rate study.

Suggested Board Motion

“I move to authorize the General Manager to negotiate and execute a personal services contract with the Galardi Rothstein Group for the performance of a utility rate study as described in the attached scope of work for \$72,000 over the life of the contract.”

Attachments

1. Scope of Work

RATE STUDY SCOPE OF SERVICES



The Oak Lodge Water Services District (District) would like to conduct a rate study to evaluate water, wastewater, and stormwater rate levels and structures. The District recently completed a water system master plan which is currently under review; the sanitary sewer master plan is scheduled to begin later this year. The rate study will utilize available data sources, including the District’s budget and master planning work to project operation and maintenance (O&M) and capital costs for each system and compare forecast needs to revenue from existing rates. In addition, the rate study will provide a framework for which to engage the Board of Directors (Board) in an evaluation of the current rate structures, and the development of alternatives that align with current industry standards and District goals and objectives.

It is anticipated that the rate study will be conducted in two phases: Phase 1 will include development of a preliminary financial plan and rate structure evaluation. Phase 2 will include development of specific rate options identified in Phase 1 and a final financial plan.

Scope of Services

Phase 1 – Preliminary Forecast and Rate Evaluation

Task 1.1 – Project Initiation and Management

We will prepare a data request list. The requested information will include existing financial forecasting models and documents, system and customer data, and existing rate policies and schedules. We will evaluate data as it relates to development of forecasts of system revenues at existing rates and future revenue requirements. We will also review the District’s current financial forecast framework and assumptions, and financial performance metrics.

We will conduct a virtual meeting with the District to review any information gaps and further refine the project work plan and schedule, including plan for Board engagement.

Project management includes contract management, work planning (communications with District staff and scope/budget monitoring) and project status reporting and invoicing.

Task 1.2 – Preliminary Financial Plan

The preliminary financial analysis will illustrate the adequacy of current rates to meet projected system-specific capital and operating needs, and District-wide financial metrics. Specifically, we will analyze historical revenues and expenditures for the systems for the last 3-5 years to identify significant cost factors and trends. Annual revenue needs will be projected for a 5-10-year study period. Revenue requirements will include current revenue funded capital projects, debt service, O&M costs (including indirect and direct administrative costs) and policy-related requirements (e.g., funding of reserves).

Miscellaneous revenues, including revenue from other fees and charges and interest income will be projected and deducted from total requirements to determine the amount of annual revenue required from user rates of each system. The revenue requirements will then be compared to projections of annual rate revenues for each system. Rate revenue projections will be based on current and forecast system-specific billing determinants applied to existing rate schedules. Billing determinants include the number of water meters by meter size and customer class, water usage by customer class and rate block, and wastewater and stormwater equivalent units.

Task 1.3 -- Rate Structure Evaluation

The revenue analysis will provide insight into the degree to which the current structures promote customer affordability (through existing lifeline rates), efficient use of resources (portion of revenue recovered by water rate block), revenue stability (revenue recovery through fixed vs. volume rates), and rate equity (revenue by customer class). The District's rates and revenue structure will be compared to current industry standard approaches and benchmarks, and potential modifications will be identified.

Task 1.4 – Present Preliminary Findings and Recommendations

We recommend two meetings with the Board in Phase 1 to discuss the preliminary financial plan, current rate structures and policy framework, and potential options for further development in Phase 2. It will be important to hear the Board's thoughts on the existing rate policy framework, and how it aligns with current objectives, and to get feedback on specific options to be considered in Phase 2.

Any changes to rate structures will result in revenue shifts among customers, which when implemented in the context of general system rate increases can compound bill impacts. While Phase 2 will identify more specific customer bill impacts, general impacts and shifts in revenue recovery resulting from various rate structure modifications will be an important part of the Phase 1 discussion.

Assumptions: The results of Tasks 1.2 and 1.3 will be summarized in a memorandum. We have budgeted 2 virtual meetings with the Board as part of Phase 1.

Estimated Completion: TBD based on project kickoff and specific available Board meeting dates (estimated 2-3 months).

Phase 2 – Develop Rate Alternatives and Final Plan

Task 2.1 – Allocate Revenue Requirements

Based on the revenue requirements analysis from Phase 1 and the selected rate structure options, we will identify system-specific service characteristics and cost allocation categories for analysis in Phase 2. The analytical framework will likely include classification of fixed cost activities (e.g., customer and billing services) and components (e.g., debt service), separate from other service delivery functions and cost components. The specific service characteristics and categories to be analyzed will be determined following selection of specific rate options in Phase 1.

Once annual revenue requirements are allocated to relevant service categories, annual unit costs of service are then determined by dividing the annual costs by service characteristic by the total estimated units of service for each category and rate component.

Finally, annual revenue requirements will be allocated to customer classes based on the projected service units estimated for each customer class and the application of unit costs of service. Customer class units of service will be estimated based on billing data (from Task 1.2) and industry standard approaches for the selected rate structures.

Task 2.2 – Calculate Rates and Sample Bills

Based on the allocated costs from Tasks 2.1, rates will be calculated for each customer class and rate component. For each alternative, we will verify that the estimated revenue generated approximates the cost of service, and we will compare revenue by class under the new rates with existing revenue collections. We will also prepare sample monthly bills for each class to illustrate the impacts of the alternative rate scenarios. If necessary, we will develop a transition plan to phase the new rates in over a multi-year period.

Sample bills may also be compared to similar customers in up to six (6) comparable communities.

Task 2.3 – Develop Final Plan

Implementation of new rate structures are challenging under any circumstances due to shifts in revenue responsibility that generally occur, meaning that some customers and classes will experience rate increases, which may be significant. In the context of increasing revenue requirements overall, mitigating bill impacts for some users becomes even more challenging. A rate transitioning plan (phasing in structure changes over multiple years) can be an important tool for balancing objectives of rate equity and competitiveness.

The final funding plan will integrate the overall revenue increases with revenue shifts from rate structure changes. In developing the final recommended funding plan, we will refine the preliminary forecast assumptions to develop a plan that meets the District's risk management and other objectives.

Task 2.4 – Final Meetings and Documentation

We will present the rate structure options and final recommendations to the Board. The recommendations will be documented in a final report which describes the policy framework, technical analysis, and recommended rate structures.

Assumptions: 2 Board meetings; electronic copies of draft and final reports. Customer service units in Task 2.1 are assumed to be based on existing available information; no new customer specific data development is assumed (e.g. impervious area measurements for specific customers).

Completion: TBD based on availability of Board meeting dates and specific rate structure options to be developed. Estimated (2-3 months)

Labor Rates and Budget

As shown in the table on the following page, the total not-to-exceed budget estimate is \$72,000. The final level of effort for Phase 2 will be dependent on which rate structure options are selected in Phase 1. The project will be billed on a time and materials basis at the following billing rates:

Galardi - \$190

Natanson - \$160

Document Production - \$80

Oak Lodge Water Services District
Rate Study Cost Estimate

Task	Galardi	Natanson	Doc Prod	Labor Cost	Expenses ¹	Total
1.1 Project Initiation & Management	30	6		\$6,600	\$0	\$6,600
1.2 Preliminary Financial Plan	34	44		\$13,500	\$0	\$13,500
1.3 Rate Structure Evaluation	24	20		\$7,740	\$0	\$7,740
1.4 Present Preliminary findings & recommendations	22	10		\$5,800	\$0	\$5,800
2.1 Allocate Revenue Requirements	32	40		\$12,400	\$0	\$12,400
2.2. Calculate Rates and Bills	30	28		\$10,200	\$0	\$10,200
2.3 Develop Final Plan	24	16		\$7,100	\$0	\$7,100
2.4 Final Meetings and Documentation	30	12	12	\$8,600	\$0	\$8,600
	226	176	12	\$71,940	\$0	\$71,940
Rounded total						\$72,000
Subtotals by Phase						
Phase 1	110	80	0	\$33,640	\$0	\$33,640
Phase 2 Estimate	116	96	12	\$38,300	\$0	\$38,300

¹ Meetings assumed to be virtual

STAFF REPORT

To Board of Directors
From Laural Casey, District Recorder
Title Public Records Policy Workshop
Item No. 5
Date September 10, 2020

Summary

The Board of Directors maintains the authority to approve or deny District policies.

Background

The District is a public body subject to Oregon's Public Records Law, meaning all public records are subject to inspection. Public records are documents related to District business and any information owned, used, or retained by the District. There are exemptions to Public Records Law and some categories of information are expressly exempted from disclosure to the public. The proposed Public Records Policy outlines pertinent definitions, fees, and a procedure for responding to public records requests.

Past Board Actions

On June 16, 2020, the Board adopted the District's *Rates, Fees, and Other Charges Schedule* which included the following fees for public records requests:

j.	Public Record Requests	
i.	Photocopies per page/side	VARIOUS
	Letter (8.5x11)	
	- Black and White Copies	\$ 0.25
	- Color Copies	\$ 0.50
	Legal (8.5x14)	
	- Black and White Copies	\$ 0.35
	- Color Copies	\$ 1.00
	Tabloid (11x17)	
	- Black and White Copies	\$ 0.50
	- Color Copies	\$ 1.50
	Large Format (Larger than 11x17)	Based on Size and Complexity
ii.	Electronic Copies	
	Flash Drive (up to 32 GB)	\$ 10.00
iii.	Archive Retrieval Fees	
	Base Charge per Trip	\$ 75.00
	Charge per Box	\$ 5.00
iv.	Record Research & Processing	
	Staff time up to 30 minutes (Board approved, fully burdened staff rate)	No Cost
	Staff time over 30 minutes in half hour increments (Board approved, fully burdened staff rate)	Labor Rate

Concurrence

Staff have developed the Public Records Policy and related forms with District legal counsel. All documents will be reviewed by Union representatives as outlined in the National Labor Relations Act.

Recommendation

Staff request questions and comments regarding the Public Records Policy. Staff will return for Board adoption after receiving approval from Union representatives. No action is needed at this time.

Attachments

1. Draft Public Records Policy
2. Public Records Request Form
3. Fee Waiver/Reduction Form

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

Public Records Policy

Adopted **MONTH** 2020

This document supersedes any and all previous public records policies.

I. Purpose

To establish an orderly, consistent, and reasonable procedure for responding to public records requests, consistent with Oregon Public Records Law.

II. Scope

This policy applies to the Board of Directors, Sub-Committees, employees, consultants, and any person making public records requests to the District.

III. Policy Statement

Oregon Public Records Law grants every person the right to inspect the public records of any public body, excluding records that are exempt from disclosure.

Public records are identified as “any writing containing information relating to the conduct of the public’s business...prepared, owned, used or retained by a public body regardless of physical form or characteristics.” The District is not obligated to create new records.

The District will provide records in the format requested, if reasonably feasible, or to accommodate persons with disabilities, pursuant to the Americans with Disabilities Act.

There are certain records that are exempt from disclosure and others that are conditionally exempt from disclosure. A determination of whether an exemption applies will be made by the District Recorder, upon advice by the District’s legal counsel and in accordance with Oregon Public Records Law.

In administering this policy, the District Recorder shall seek the advice and guidance of the District’s legal counsel, as appropriate, in responding to public records requests, determining whether an exemption applies, deciding to provide a fee waiver or reduction in the public interest, and in updating and reviewing this policy.

The District will evaluate all requests and provide a response in accordance with timelines set forth by state law.

Fees

The fees for responding to a public records request will be established by the Board of Directors and will be listed in the District’s Rates, Fees, and Other Charges Schedule. The fees will be reasonably calculated to reimburse the District for its actual costs in making the records available and may include:

- Charges for the time spent by District employees and consultants to locate the requested public records, to review the records, to segregate exempt records, to prepare necessary redactions, to copy records, to certify records as true copies, to supervise the requestor’s inspection of original documents, and to send records by special or overnight methods such as express mail or overnight delivery.

- A per page charge for photocopies of requested public records.
- A per item charge for providing a flash drive of electronic copies of requested public records.

As a courtesy there will be no research cost for the first half hour of staff time.

The District Recorder will prepare an estimate of the charges that will be incurred to respond to a public records request. If the estimated cost is more than \$25, the District will notify the requestor in writing of the estimate and will require the requestor to deposit the full amount of the estimate before completing the request. If the actual costs incurred by the District to respond to the request are more than the amount deposited, the District may charge the requestor for all additional costs and may require that an additional amount be deposited before any additional work on completing the request proceeds. If the actual costs incurred by the District to respond to a public records request are less than the amount of any required prepayment, the amount overpaid will be promptly refunded. If the cost of completing the request is estimated to be less than \$25, the District will complete the request and present the requestor with an invoice to be paid before the release of the documents. Actual costs incurred by the District will be charged, and will not be refunded, regardless of whether the records are provided to the requestor for any reason.

The District may furnish copies of requested public records without charge, or at a reduced fee, if, based on information furnished by the requestor, the District Recorder determines that a waiver or reduction of fees is in the public interest. The requestor must make any request for waiver or reduction of fees in a form approved by the District. The decision made by the District Recorder regarding waiver or reduction of fees is final.

IV. Procedure

- All public records requests must be made in writing—by mail, in-person delivery, by e-mail, or through the District’s website. Requestors are encouraged to use the standard Public Records Request Form provided by the District, although other forms of written requests will be accepted if all the information required on the standard form is provided.
- Requestors shall submit all public records requests directly to the District Recorder. Employees who receive a public records request shall inform the requestor that requests must be submitted to the District Recorder. Employees shall promptly forward any requests that they receive to the District Recorder.
- The District shall respond to all requests as soon as practical and without unreasonable delay following the guidelines of Oregon Public Records Law.

- Within 5 business days from the District Recorder's receipt of a public records request, the District shall either complete the request or acknowledge receipt of the request and: (a) confirm that the District is the custodian of the requested record; (b) inform the requester that the District is not the custodian of the requested record; or (c) notify the requester that the public body is uncertain whether the public body is the custodian of the requested record.
- Within 15 business days from the District Recorder's receipt of a public records request, the District shall: (a) complete its response to the public records request; or (b) provide a written statement that the District is still processing the request and a reasonable estimated date by which it expects to complete its response based on the information currently available.
- If the estimated cost of completing the request will be more than \$25, the District Recorder will provide to the requestor a written estimate of the costs incurred by the District to provide the requested documents, including copying charges, research time, and redaction of materials. Upon receipt of the cost estimate, the requestor must confirm with the District in writing that the requestor wishes for the District to proceed with the request before the District will work on completing the request.
- If the estimated cost is more than \$25, the District will require a deposit of the full amount of the estimate before completing the request. If the actual costs incurred by the District to respond to the request are more than the amount deposited, the District may charge the requestor for all such additional costs, and may require an additional amount be deposited before any additional work on completing the request proceeds. If the actual cost exceeds the estimate, the District will not release the documents until the fee is received in full. If the cost estimated is less than \$25, the District will complete the request and present the requestor with an invoice to be paid before release of documents.
- Upon receipt of payment the District will contact the requestor and arrange for inspection or distribution. Review of public records shall be conducted, and all copies of public records shall be produced for copy or inspection during the regular business hours of the Oak Lodge Water Services District.
- A place for one (1) person will be provided for reviewing original public records by appointment only. A research fee will be charged to cover staff time for remaining in the room with the records. Attempts to alter, remove, or destroy a District record shall immediately terminate review and the District may initiate any legal action available from such occurrence.
- If a public records request is denied, the District shall prepare a denial of the request, which shall be provided to the requestor in writing as soon as is feasible.

- Requestors may appeal the District's response to a public records request with the Clackamas County District Attorney pursuant to ORS 192.324(6) and ORS 192.407.

V. Responsibilities

The **District Recorder** is the designated records custodian of the legislative history and all public records maintained by the District, regardless of the originating department or the record location. In the District Recorder's absence, the Human Resources Manager shall serve as the custodian.

The **District Recorder** is responsible for the administration of this policy and shall establish a system to monitor each step of the process in responding to a public records request to ensure that Oregon Public Records Law is upheld. The District Recorder will evaluate all public records requests and will coordinate the District's response in accordance with timelines set forth by state law.

For all public records requests, the **District Recorder** shall conduct a review to determine what public records have been requested, whether the District is the custodian of the requested records, and whether any portion of the requested records may be exempt from public disclosure. The District Recorder will create an estimate of the expected costs in complying with the request. No further work on the request will be undertaken until the District Recorder has confirmed receipt of deposit or payment in full.

VI. Review and Update

The District Recorder shall review this policy annually and shall review this policy upon any update or modification to Oregon Public Records Laws and in consultation with the District's legal counsel, to ensure compliance with state law.



PUBLIC RECORDS REQUEST FORM

Public records requests must be made to the government agency that is in possession of those records. This form is for requesting public records that are held by Oak Lodge Water Services, including legacy records of Oak Lodge Water District and Oak Lodge Sanitary District.

Personal Information

Requestor Name: _____ Date: _____

Street Address: _____

City: _____ State/Zip: _____

Phone Number: _____

Email: _____

Records

Description of Records:

Describe the information/records you are requesting. Be specific enough for the District to determine the nature, content, and department where the records you are requesting may be located. Provide specific dates whenever possible.

Method of Review

- I would like to inspect the records at the District Offices.
- I would like electronic copies of the records.
- I would like copies of the records mailed to me.

You may submit this form to the Oak Lodge Water Services District Recorder in person, by email, or by postal mail.

Email: laural@olwsd.org

District Offices: 14496 SE River Road, Oak Grove, OR 97267



PUBLIC RECORDS REQUEST FEE WAIVER/REDUCTION FORM

The District may reduce or waive a fee in the public interest if it determines that a waiver or reduction is in the public interest because making the record available primarily benefits the general public. Fee waiver requests are made on a case by case basis. Please provide the following information so that we may evaluate your fee waiver request.

Personal Information

Requestor Name: _____ Date: _____

Organization/Group of Requesting Party: _____

Street Address: _____

City: _____ State/Zip: _____

Phone Number: _____

Email: _____

Additional Information

Please provide general background on the requesting individual or organization/group as it relates to the public records request.

Describe the purpose for the which the requesting party intends to use the requested records.

Specify the requesting party's plans to distribute the requested records to the general public.

Explain how the distribution of the requested records will benefit the general public.

Include any other information the requesting party feels would be valuable in the evaluation of the fee waiver/reduction request.

You may submit this form to the Oak Lodge Water Services District Recorder
in person, by email, or by postal mail.

Email: laural@olwsd.org

District Offices: 14496 SE River Road, Oak Grove, OR 97267

AGENDA ITEM

Title	Call for Public Comment
Item No.	6
Date	September 10, 2020

Summary

The Board of Directors welcomes comment from members of the public.

Written comments may not be read out loud or addressed during the meeting, but all public comments will be entered into the record.

The Board of Directors may elect to limit the total time available for public comment or for any single speaker depending on meeting length.