

# **OAK LODGE WATER SERVICES**

## **BOARD OF DIRECTORS**



**APRIL 18, 2023**



**PUBLIC MEETING  
OAK LODGE WATER SERVICES  
BOARD OF DIRECTORS  
APRIL 18, 2023 at 6:00 p.m.**

1. Call to Order and Hybrid Meeting Facilitation Protocols
2. Call for Public Comment
3. Consent Agenda
  - a. February 2023 Financial Report
  - b. Approval of March 21, 2023 Board Meeting Minutes
  - c. Approval of Contract with Trojan Technologies Inc.
4. Consideration of Resolution No. 2023-0015 Adopting Updated Public Contracting and Purchasing Rules
5. Consideration of Agreement Renewal with Madison Farms for Biosolids Land Application
6. Business from the Board
7. Department Reports
  - a. General Manager
  - b. Human Resources
  - c. Finance
  - d. Technical Services
  - e. Utility Operations
  - f. Plant Operations
8. Recess to Executive Session

*Convene Executive Session under ORS 192.660(2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations.*
9. Adjourn Executive Session

*If necessary, Board may take action on items discussed in Executive Session.*
10. Adjourn Regular Meeting



## AGENDA ITEM

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<b>Title</b>	Call to Order
<b>Item No.</b>	1
<b>Date</b>	April 18, 2023

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### Summary

The Chair will call the meeting to order with a quorum of the Board at the noticed time.

The General Manager will review the meeting protocols before business is discussed.



## AGENDA ITEM

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<b>Title</b>	Call for Public Comment
<b>Item No.</b>	2
<b>Date</b>	April 18, 2023

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### 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.



## CONSENT AGENDA

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**To** Board of Directors  
**From** Sarah Jo Chaplen, General Manager  
**Title** Consent Agenda  
**Item No.** 3  
**Date** April 18, 2023

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### Summary

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:

- a. **February 2023 Financial Report**
- b. **Approval of March 21, 2023 Board Meeting Minutes**
- c. **Approval of Contract Renewal with Trojan Technologies Inc.**

### 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

Staff requests that the Board approve the items listed under the Consent Agenda.

### Suggested Board Motion

*"I move to approve the Consent Agenda."*

Approved By _____	Date _____
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## MONTHLY FINANCIAL REPORT

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<b>To</b>	Board of Directors
<b>From</b>	Gail Stevens, Finance Director
<b>Title</b>	February 2023 Financial Reports
<b>Item No.</b>	3a
<b>Date</b>	April 18, 2023 Meeting

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### Reports

- February 2023 Monthly Overview (Including Cash and Investment Balances)
- February 2023 Budget to Actual Report
- February 2023 Budget Account Roll Up Report

**Oak Lodge Water Services  
Monthly Overview  
February 2023**

This report summarizes the revenues and expenditures for February 2023. Also incorporated in this report are account balances, including all cash and investment activity as well as checks and withdrawals.

**Cash and Investments**

<b>Account Balances As of:</b>		
<b>February 28, 2023</b>	<b>Interest Rate</b>	<b>Balance</b>
<b>Account</b>		
Wells Fargo Bank Checking-3552		\$ 1,777,610
Wells Fargo Bank Checking-9966		1,001
LGIP	3.75%	11,627,536
<b>Total</b>		<b>\$ 13,406,147</b>

The OLWS’ checks, electronic withdrawals, and bank drafts total \$1.3 million for February 2023. There was 1 voided check totaling \$12,323.71.

**Services Revenue**

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

<b>GL Account</b>	<b>Service Charge</b>	<b>Budget Estimate</b>	<b>Period Amount</b>	<b>Year-to-Date Amount</b>	<b>Percentage of Budget</b>
10-00-4211	Water sales	\$ 4,351,000	\$ 265,202	\$ 2,922,259	67.2%
20-00-4212	Wastewater charges	9,199,000	818,110	5,953,861	64.7%
30-00-4213	Watershed protection	1,592,000	133,383	1,045,543	65.7%
	Subtotal	\$ 15,142,000	\$ 1,216,695	9,921,662	65.5%

With respect to revenues, the percentage of budget is affected by seasonal variations. The expectation is that OLWS would recognize a greater percentage of revenue in the first half of the fiscal year than in the second half.

**Expenses by Budget Category**

The table below matches the Budget for the number of months reported to the same number of months of actual expenses. The **Budget YTD** column provides the portion of the Budget for comparison, whereas the financial reports compare actuals to the full annual budget. This view allows for a review at the category level to ensure expenditures remain within the budget within each category.

Expense Category	FY 2023	BUDGET	ACTUALS	% Spent
	Adopted Budget	Year-to-Date Feb. 2023	Year-to-Date Feb. 2023	
Personnel Services	\$ 5,374,000	3,582,667	3,313,295	92%
Materials & Services	\$ 5,430,953	3,620,635	2,967,874	82%
Capital Outlay	\$ 7,282,340	4,854,893	2,764,010	57%
		\$ 12,058,195	\$ 9,045,179	75%

With respect to expenditures, at the end of January expenditures are overall 54.7% of budget, excluding Contingencies, with 66.8% of the fiscal year completed.

Review of expenditure lines that are above 72.0% of budget:

1. **5260 – Unemployment** is 80.6% of budget. This is due to timing of invoices, only once per quarter. Expect the final unemployment charges for the fiscal year to remain within the budget.
2. **6290 – Other Utilities** is 72.8% of budget. This is due to dumpster charges and waste disposal fees for cleaning out the drinking water garage.
3. **6510 – Office Supplies** is 74.2% of budget. This is due to replacement of aged furniture at the plant and continued higher prices for on-going items, such as copy paper. This account will be reviewed as part of the FY 2022-23 Q3 Budget Review.

**Low Income Rate Relief Program Overview**

The Authority allows eligible customers to obtain a discounted rate on a portion of their bill. The Authority budgets resources to fund the revenue losses due to the program at the rate of 0.5% of budgeted service charge revenue. The budgeted amount serves as a cap to the program’s cost which can only be exceeded with approval from the OLWS’ Board of Directors. The program cap is **\$75,710** for FY 2022-23.

The LIRR Program provides the following discounts:

- Drinking water customers receive a 50% discount on their water base rate. Consumption is billed at full Authority tiered rates.
- Wastewater customers receive a 50% discount on both their base rate and consumption.
- Watershed Protection customers receive a 50% discount on their base rate.

The number of customers for each utility receiving the low-income rates for February 28, 2023 billing are below. The total number of customers enrolled in LIRR are split between the two billing cycles and can vary in total by utility.

LIRR Program Cap	Budget	Budget	Actual	% Spent
		Year-to-Date Jan. 2023	Year-to-Date Jan. 2023	
	\$ 75,710	50,473	41,270	82%



	<b># of Customers Current Month</b>	<b>Discount Provided</b>	<b>Fiscal Year To Date</b>
<b>Drinking Water</b>	70	1,308	9,874
<b>Wastewater</b>	67	2,917	26,566
<b>Watershed Protection</b>	67	642	4,830
		<b>4,867</b>	<b>41,270</b>

General Ledger  
Budget to Actual



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Period 08 - 08  
Fiscal Year 2023

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
<b>05</b>	<b>Administrative Services</b>					
	<b>NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
05-00-3500	Fund Balance	1,168,115.00	0.00	1,444,130.52	0.00	123.63
	<i>Beginning Fund Balance</i>	<i>1,168,115.00</i>	<i>0.00</i>	<i>1,444,130.52</i>	<i>0.00</i>	<i>123.63</i>
	<b>NonDivisional</b>	<b>1,168,115.00</b>	<b>0.00</b>	<b>1,444,130.52</b>	<b>0.00</b>	<b>123.63</b>
	Fund Balance	1,168,115.00	0.00	1,444,130.52	0.00	123.63
	<b>NonDivisional</b>					
	<i>Revenue</i>					
05-00-4227	System	0.00	949.00	2,993.00	0.00	0.00
	Development-Compliance					
05-00-4230	Contracted Services	57,400.00	4,000.00	37,400.00	0.00	65.16
	Revenue					
05-00-4610	Investment Revenue	3,000.00	3,029.17	25,559.05	0.00	851.97
05-00-4630	Miscellaneous Revenues	10,000.00	928.00	10,463.23	0.00	104.63
	<i>Revenue</i>	<i>70,400.00</i>	<i>8,906.17</i>	<i>76,415.28</i>	<i>0.00</i>	<i>108.54</i>
	<b>NonDivisional</b>	<b>70,400.00</b>	<b>8,906.17</b>	<b>76,415.28</b>	<b>0.00</b>	<b>108.54</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Revenue</i>					
05-29-4910	Transfer In from Fund 10	1,008,000.00	84,000.00	672,000.00	0.00	66.67
05-29-4920	Transfer In from Fund 20	1,920,000.00	160,000.00	1,280,000.00	0.00	66.67
05-29-4930	Transfer In from Fund 30	1,008,000.00	84,000.00	672,000.00	0.00	66.67
	<i>Revenue</i>	<i>3,936,000.00</i>	<i>328,000.00</i>	<i>2,624,000.00</i>	<i>0.00</i>	<i>66.67</i>
	<b>Transfers &amp; Contingencies</b>	<b>3,936,000.00</b>	<b>328,000.00</b>	<b>2,624,000.00</b>	<b>0.00</b>	<b>66.67</b>
	Revenue	4,006,400.00	336,906.17	2,700,415.28	0.00	67.40
	<b>AdminFinance</b>					
	<i>Personnel Services</i>					
05-01-5110	Regular Employees	705,000.00	55,055.80	476,210.87	0.00	67.55
05-01-5130	Overtime	17,000.00	2,088.34	14,516.23	0.00	85.39
05-01-5210	HealthDental insurance	125,000.00	10,292.91	82,197.51	0.00	65.76
05-01-5230	Social Security	55,000.00	4,277.73	34,002.56	0.00	61.82
05-01-5240	Retirement	138,000.00	11,081.10	96,548.78	0.00	69.96
05-01-5250	TrimetWBFPaid Leave OR	6,000.00	663.15	4,377.64	0.00	72.96
05-01-5260	Unemployment	20,000.00	0.00	16,126.00	0.00	80.63
05-01-5270	Workers Compensation	1,000.00	24.94	199.52	0.00	19.95
05-01-5290	Other Employee Benefits	2,000.00	-111.38	1,838.55	0.00	91.93
	<i>Personnel Services</i>	<i>1,069,000.00</i>	<i>83,372.59</i>	<i>726,017.66</i>	<i>0.00</i>	<i>67.92</i>
	<i>Materials &amp; Services</i>					
05-01-6110	Legal Services	375,000.00	67,900.85	210,795.17	0.00	56.21
05-01-6120	Accounting & Audit	76,000.00	0.00	0.00	0.00	0.00
	Services					
05-01-6155	Contracted Services	200,000.00	15,181.86	139,791.11	37,787.50	69.90
05-01-6180	Dues & Subscriptions	60,000.00	3,609.16	27,284.78	0.00	45.47
05-01-6220	Electricity	13,000.00	1,818.38	11,049.10	2,514.75	84.99
05-01-6240	Natural Gas	4,000.00	622.45	3,285.18	1,320.00	82.13

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
05-01-6290	Other Utilities	10,000.00	210.39	3,121.83	1,071.41	31.22
05-01-6310	Janitorial Services	15,000.00	1,283.57	10,268.56	5,134.28	68.46
05-01-6320	Buildings & Grounds Maint.	35,000.00	4,472.13	16,263.64	2,982.20	46.47
05-01-6410	Mileage	2,700.00	0.00	1,831.34	0.00	67.83
05-01-6420	Staff Training	12,000.00	565.35	6,952.81	0.00	57.94
05-01-6440	Board Expense	2,000.00	0.00	-126.85	0.00	-6.34
05-01-6510	Office Supplies	32,000.00	2,106.42	25,261.56	1,831.00	78.94
05-01-6730	Communications	2,000.00	0.00	0.00	0.00	0.00
05-01-6760	Equipment Rental	4,000.00	0.00	1,480.73	1,428.30	37.02
05-01-6770	Bank Charges	160,000.00	187.00	80,396.08	61,814.96	50.25
05-01-6780	Taxes, Fees, Permits	2,000.00	0.00	768.36	0.00	38.42
05-01-6900	Miscellaneous Expense	1,000.00	0.00	100.00	0.00	10.00
	<i>Materials &amp; Services</i>	<i>1,005,700.00</i>	<i>97,957.56</i>	<i>538,523.40</i>	<i>115,884.40</i>	<i>53.55</i>
	<b>AdminFinance</b>	<b>2,074,700.00</b>	<b>181,330.15</b>	<b>1,264,541.06</b>	<b>115,884.40</b>	<b>60.95</b>
	<b>Human Resources</b>					
	<i>Personnel Services</i>					
05-02-5110	Regular Employees	278,000.00	21,836.03	184,944.83	0.00	66.53
05-02-5130	Overtime	2,500.00	0.00	271.09	0.00	10.84
05-02-5210	HealthDental Insurance	36,000.00	2,735.39	21,382.87	0.00	59.40
05-02-5230	Social Security	22,000.00	1,640.26	13,917.12	0.00	63.26
05-02-5240	Retirement	50,000.00	3,913.02	33,190.77	0.00	66.38
05-02-5250	TrimetWBFPaid Leave OR	3,000.00	253.56	1,668.32	0.00	55.61
05-02-5270	Workers Compensation	1,000.00	10.35	82.80	0.00	8.28
05-02-5290	Other Employee Benefits	1,000.00	-489.47	865.53	0.00	86.55
	<i>Personnel Services</i>	<i>393,500.00</i>	<i>29,899.14</i>	<i>256,323.33</i>	<i>0.00</i>	<i>65.14</i>
	<i>Materials &amp; Services</i>					
05-02-6155	Contracted Services	52,000.00	4,735.91	17,446.51	0.00	33.55
05-02-6175	Records Management	8,500.00	625.98	4,282.80	1,395.48	50.39
05-02-6230	Telephone	63,000.00	4,629.26	31,556.11	24,907.85	50.09
05-02-6410	Mileage	1,000.00	220.08	870.84	0.00	87.08
05-02-6420	Staff Training	25,000.00	1,129.45	5,986.62	700.00	23.95
05-02-6440	Board Expense	7,000.00	0.00	1,044.82	0.00	14.93
05-02-6510	Office Supplies	2,200.00	0.00	109.99	0.00	5.00
05-02-6540	Safety Supplies	2,000.00	0.00	52.84	0.00	2.64
05-02-6560	Uniforms	38,000.00	2,006.29	21,806.19	9,975.00	57.38
05-02-6610	Board Compensation	2,500.00	0.00	0.00	0.00	0.00
05-02-6720	Insurance-General	300,000.00	16,982.35	123,821.79	0.00	41.27
05-02-6730	Communications	38,100.00	1,739.49	4,579.09	7,489.56	12.02
05-02-6740	Advertising	6,000.00	-1,238.00	3,645.24	0.00	60.75
05-02-6900	Miscellaneous Expense	1,000.00	0.00	27.19	0.00	2.72
	<i>Materials &amp; Services</i>	<i>546,300.00</i>	<i>30,830.81</i>	<i>215,230.03</i>	<i>44,467.89</i>	<i>39.40</i>
	<b>Human Resources</b>	<b>939,800.00</b>	<b>60,729.95</b>	<b>471,553.36</b>	<b>44,467.89</b>	<b>50.18</b>
	<b>Technical Services</b>					
	<i>Personnel Services</i>					
05-03-5110	Regular Employees	549,000.00	33,761.58	289,462.71	0.00	52.73
05-03-5130	Overtime	2,500.00	0.00	0.00	0.00	0.00
05-03-5210	HealthDental Insurance	83,000.00	6,067.92	48,918.03	0.00	58.94
05-03-5230	Social Security	43,000.00	2,531.32	21,733.70	0.00	50.54
05-03-5240	Retirement	102,000.00	6,359.08	54,551.98	0.00	53.48
05-03-5250	TrimetWBFPaid Leave OR	5,000.00	386.05	2,584.74	0.00	51.69
05-03-5270	Workers Compensation	1,000.00	19.42	155.36	0.00	15.54
05-03-5290	Other Employee Benefits	2,000.00	-191.32	290.33	0.00	14.52
	<i>Personnel Services</i>	<i>787,500.00</i>	<i>48,934.05</i>	<i>417,696.85</i>	<i>0.00</i>	<i>53.04</i>
	<i>Materials &amp; Services</i>					
05-03-6155	Contracted Services	90,500.00	1,176.25	25,246.66	32,022.37	27.90
05-03-6180	Dues & Subscriptions	0.00	0.00	0.00	0.00	0.00
05-03-6350	Computer Maintenance	313,103.00	16,151.14	180,350.04	46,219.10	57.60
05-03-6410	Mileage	1,000.00	0.00	323.87	0.00	32.39
05-03-6420	Staff Training	10,500.00	0.00	4,343.59	0.00	41.37
05-03-6430	Certifications	2,000.00	-405.00	980.00	0.00	49.00

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
05-03-6530	Small Tools & Equipment	0.00	0.00	250.00	0.00	0.00
05-03-6540	Safety Supplies	5,000.00	0.00	1,735.64	1,543.20	34.71
05-03-6550	Operational Supplies	3,000.00	50.69	88.41	0.00	2.95
05-03-6900	Miscellaneous Expense	1,000.00	0.00	0.00	0.00	0.00
	<i>Materials &amp; Services</i>	<i>426,103.00</i>	<i>16,973.08</i>	<i>213,318.21</i>	<i>79,784.67</i>	<i>50.06</i>
	<b>Technical Services</b>	<b>1,213,603.00</b>	<b>65,907.13</b>	<b>631,015.06</b>	<b>79,784.67</b>	<b>52.00</b>
	<b>Vehicle Services</b>					
	<i>Materials &amp; Services</i>					
05-04-6330	Vehicle Equipment Maintenance	75,000.00	-109.01	47,885.66	15,201.03	63.85
05-04-6520	Fuels & Oils	51,000.00	3,453.54	29,008.13	0.00	56.88
	<i>Materials &amp; Services</i>	<i>126,000.00</i>	<i>3,344.53</i>	<i>76,893.79</i>	<i>15,201.03</i>	<i>61.03</i>
	<b>Vehicle Services</b>	<b>126,000.00</b>	<b>3,344.53</b>	<b>76,893.79</b>	<b>15,201.03</b>	<b>61.03</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Transfers &amp; Contingencies</i>					
05-29-9000	Contingency	788,412.00	0.00	0.00	0.00	0.00
	<i>Transfers &amp; Contingencies</i>	<i>788,412.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	<b>Transfers &amp; Contingencies</b>	<b>788,412.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>05</b>	Expense	5,142,515.00	311,311.76	2,444,003.27	255,337.99	47.53
	<b>Administrative Services</b>	<b>32,000.00</b>	<b>25,594.41</b>	<b>1,700,542.53</b>	<b>-255,337.99</b>	<b>5,314.20</b>
<b>10</b>	<b>Drinking Water</b>					
	<b>NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
10-00-3500	Fund Balance	1,015,771.00	0.00	836,388.09	0.00	82.34
	<i>Beginning Fund Balance</i>	<i>1,015,771.00</i>	<i>0.00</i>	<i>836,388.09</i>	<i>0.00</i>	<i>82.34</i>
	<b>NonDivisional</b>	<b>1,015,771.00</b>	<b>0.00</b>	<b>836,388.09</b>	<b>0.00</b>	<b>82.34</b>
	Fund Balance	1,015,771.00	0.00	836,388.09	0.00	82.34
	<b>NonDivisional</b>					
	<i>Revenue</i>					
10-00-4210	Water Sales - CRW	30,000.00	2,303.37	29,465.87	0.00	98.22
10-00-4211	Water Sales	4,351,000.00	265,201.50	2,922,259.11	0.00	67.16
10-00-4215	Penalties & Late Charges	15,000.00	1,277.72	11,160.05	0.00	74.40
10-00-4220	System Development Charges	0.00	0.00	0.00	0.00	0.00
10-00-4240	Service Installations	10,000.00	15,022.00	28,443.00	0.00	284.43
10-00-4280	Rents & Leases	180,000.00	14,862.85	125,996.35	0.00	70.00
10-00-4290	Other Charges for Services	10,000.00	1,573.65	6,713.65	0.00	67.14
10-00-4610	Investment Revenue	3,000.00	952.12	5,458.32	0.00	181.94
10-00-4630	Miscellaneous Revenues	25,000.00	4,376.40	30,355.37	0.00	121.42
	<i>Revenue</i>	<i>4,624,000.00</i>	<i>305,569.61</i>	<i>3,159,851.72</i>	<i>0.00</i>	<i>68.34</i>
	<b>NonDivisional</b>	<b>4,624,000.00</b>	<b>305,569.61</b>	<b>3,159,851.72</b>	<b>0.00</b>	<b>68.34</b>
	Revenue	4,624,000.00	305,569.61	3,159,851.72	0.00	68.34
	<b>Drinking Water</b>					
	<i>Personnel Services</i>					
10-20-5110	Regular Employees	723,000.00	49,514.84	457,463.28	0.00	63.27
10-20-5130	Overtime	31,000.00	2,041.84	23,122.87	0.00	74.59
10-20-5210	HealthDental Insurance	134,000.00	8,923.22	71,430.52	0.00	53.31
10-20-5230	Social Security	56,000.00	3,874.79	36,220.12	0.00	64.68
10-20-5240	Retirement	133,000.00	9,955.81	91,952.78	0.00	69.14
10-20-5250	TrimetWBFPaid Leave OR	6,000.00	592.72	4,291.96	0.00	71.53
10-20-5270	Workers Compensation	19,000.00	536.90	4,295.20	0.00	22.61
10-20-5290	Other Employee Benefits	5,000.00	34.02	1,455.55	0.00	29.11
	<i>Personnel Services</i>	<i>1,107,000.00</i>	<i>75,474.14</i>	<i>690,232.28</i>	<i>0.00</i>	<i>62.35</i>

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
	<i>Materials &amp; Services</i>					
10-20-6155	Contracted Services	166,500.00	9,814.72	111,890.91	66,165.95	67.20
10-20-6220	Electricity	38,000.00	2,836.65	24,869.75	13,130.25	65.45
10-20-6240	Natural Gas	3,500.00	197.41	1,604.32	1,000.00	45.84
10-20-6290	Other Utilities	3,600.00	1,453.67	3,832.26	837.72	106.45
10-20-6320	Buildings & Grounds	10,000.00	0.00	2,270.77	0.00	22.71
10-20-6340	Distribution System Maint	200,000.00	13,027.29	128,093.15	53,923.44	64.05
10-20-6410	Mileage	500.00	360.52	469.26	0.00	93.85
10-20-6420	Staff Training	12,500.00	342.40	11,041.40	0.00	88.33
10-20-6430	Certifications	2,000.00	100.00	656.00	0.00	32.80
10-20-6530	Small Tools & Equipment	9,000.00	2,897.01	13,794.68	0.00	153.27
10-20-6540	Safety Supplies	15,000.00	411.27	9,164.84	1,657.28	61.10
10-20-6550	Operational Supplies	7,000.00	366.53	7,050.26	0.00	100.72
10-20-6710	Purchased Water	1,170,000.00	66,439.47	760,881.11	483,693.51	65.03
10-20-6715	Water Quality Program	16,000.00	-129.27	4,526.75	0.00	28.29
10-20-6760	Equipment Rental	8,000.00	-300.00	5,318.00	0.00	66.48
10-20-6780	Taxes, Fees, Permits	19,000.00	252.08	15,310.21	1,013.36	80.58
10-20-6900	Miscellaneous Expense	1,000.00	-79.99	296.84	0.00	29.68
	<i>Materials &amp; Services</i>	<i>1,681,600.00</i>	<i>97,989.76</i>	<i>1,101,070.51</i>	<i>621,421.51</i>	<i>65.48</i>
	<b>Drinking Water</b>	<b>2,788,600.00</b>	<b>173,463.90</b>	<b>1,791,302.79</b>	<b>621,421.51</b>	<b>64.24</b>
	<b>Debt Service</b>					
	<i>Materials &amp; Services</i>					
10-24-6815	Zions Bank Loan-Principal	188,000.00	188,000.00	188,000.00	0.00	100.00
10-24-6825	Zions Bank Loan-Interest	21,063.00	10,531.35	21,062.70	0.00	100.00
	<i>Materials &amp; Services</i>	<i>209,063.00</i>	<i>198,531.35</i>	<i>209,062.70</i>	<i>0.00</i>	<i>100.00</i>
	<b>Debt Service</b>	<b>209,063.00</b>	<b>198,531.35</b>	<b>209,062.70</b>	<b>0.00</b>	<b>100.00</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Transfers &amp; Contingencies</i>					
10-29-8105	Transfers Out to Fund 05	1,008,000.00	84,000.00	672,000.00	0.00	66.67
10-29-8171	Transfers Out to Fund 71	928,000.00	77,333.00	618,668.00	0.00	66.67
10-29-9000	Contingency	706,108.00	0.00	0.00	0.00	0.00
	<i>Transfers &amp; Contingencies</i>	<i>2,642,108.00</i>	<i>161,333.00</i>	<i>1,290,668.00</i>	<i>0.00</i>	<i>48.85</i>
	<b>Transfers &amp; Contingencies</b>	<b>2,642,108.00</b>	<b>161,333.00</b>	<b>1,290,668.00</b>	<b>0.00</b>	<b>48.85</b>
<b>10</b>	Expense	5,639,771.00	533,328.25	3,291,033.49	621,421.51	58.35
	<b>Drinking Water</b>	<b>0.00</b>	<b>-227,758.64</b>	<b>705,206.32</b>	<b>-621,421.51</b>	<b>0.00</b>
<b>20</b>	<b>Wastewater Reclam. NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
20-00-3500	Fund Balance	1,207,862.00	0.00	1,403,552.83	0.00	116.20
	<i>Beginning Fund Balance</i>	<i>1,207,862.00</i>	<i>0.00</i>	<i>1,403,552.83</i>	<i>0.00</i>	<i>116.20</i>
	<b>NonDivisional</b>	<b>1,207,862.00</b>	<b>0.00</b>	<b>1,403,552.83</b>	<b>0.00</b>	<b>116.20</b>
	Fund Balance	1,207,862.00	0.00	1,403,552.83	0.00	116.20
	<b>NonDivisional Revenue</b>					
20-00-4212	Wastewater Charges	9,199,000.00	818,110.49	5,953,860.64	0.00	64.72
20-00-4215	Penalties & Late Charges	7,000.00	792.10	5,865.23	0.00	83.79
20-00-4220	System Development Charges	100,000.00	15,495.00	46,485.00	0.00	46.49
20-00-4290	Other Charges for Services	10,000.00	2,911.00	8,452.00	0.00	84.52
20-00-4610	Investment Revenue	1,000.00	159.13	942.79	0.00	94.28
20-00-4630	Miscellaneous Revenues	2,000.00	12.68	1,295.18	0.00	64.76
	<i>Revenue</i>	<i>9,319,000.00</i>	<i>837,480.40</i>	<i>6,016,900.84</i>	<i>0.00</i>	<i>64.57</i>
	<b>NonDivisional</b>	<b>9,319,000.00</b>	<b>837,480.40</b>	<b>6,016,900.84</b>	<b>0.00</b>	<b>64.57</b>

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
	Revenue	9,319,000.00	837,480.40	6,016,900.84	0.00	64.57
	<b>Wastewater-Plant</b>					
	<i>Personnel Services</i>					
20-21-5110	Regular Employees	681,000.00	38,602.57	397,893.49	0.00	58.43
20-21-5130	Overtime	40,000.00	5,432.90	32,604.69	0.00	81.51
20-21-5210	HealthDental Insurance	185,000.00	9,968.80	104,571.44	0.00	56.53
20-21-5230	Social Security	53,000.00	3,306.61	32,354.07	0.00	61.05
20-21-5240	Retirement	123,000.00	7,891.16	77,127.46	0.00	62.71
20-21-5250	TrimetWBFPaid Leave OR	6,000.00	516.35	3,882.15	0.00	64.70
20-21-5270	Workers Compensation	12,000.00	542.98	4,343.84	0.00	36.20
20-21-5290	Other Employee Benefits	5,000.00	-367.84	898.87	0.00	17.98
	<i>Personnel Services</i>	<i>1,105,000.00</i>	<i>65,893.53</i>	<i>653,676.01</i>	<i>0.00</i>	<i>59.16</i>
	<i>Materials &amp; Services</i>					
20-21-6155	Contracted Services	253,750.00	14,479.28	125,294.39	164,825.86	49.38
20-21-6180	Dues & Subscriptions	0.00	0.00	112.21	0.00	0.00
20-21-6220	Electricity	307,000.00	22,676.65	174,817.27	132,182.73	56.94
20-21-6240	Natural Gas	2,000.00	30.08	228.84	120.00	11.44
20-21-6250	Solid Waste Disposal	52,000.00	0.00	15,351.21	23,802.43	29.52
20-21-6290	Other Utilities	0.00	2,804.40	3,704.40	2,625.00	0.00
20-21-6310	Janitorial Services	11,000.00	907.48	7,259.84	3,629.92	66.00
20-21-6320	Buildings & Grounds	58,000.00	6,509.45	38,866.70	14,916.16	67.01
20-21-6342	WRF System Maintenance	200,000.00	7,470.50	113,521.21	33,393.31	56.76
20-21-6410	Mileage	1,000.00	0.00	378.75	0.00	37.88
20-21-6420	Staff Training	9,000.00	405.00	6,010.09	0.00	66.78
20-21-6430	Certifications	2,000.00	240.00	750.00	0.00	37.50
20-21-6525	Chemicals	65,000.00	5,989.42	44,094.36	20,905.64	67.84
20-21-6530	Small Tools & Equipment	10,000.00	26.97	877.22	0.00	8.77
20-21-6540	Safety Supplies	36,500.00	1,565.74	26,842.99	750.00	73.54
20-21-6550	Operational Supplies	17,500.00	1,371.01	10,013.41	33.19	57.22
20-21-6560	Uniforms	0.00	-111.99	0.00	0.00	0.00
20-21-6590	Other Supplies	5,000.00	-114.95	474.66	0.00	9.49
20-21-6740	Advertising	500.00	0.00	0.00	0.00	0.00
20-21-6760	Equipment Rental	45,000.00	4,869.00	21,500.00	23,734.00	47.78
20-21-6780	Taxes, Fees, Permits	100,700.00	-8,199.11	50,430.39	16,841.10	50.08
20-21-6900	Miscellaneous Expense	1,000.00	0.00	0.00	0.00	0.00
	<i>Materials &amp; Services</i>	<i>1,176,950.00</i>	<i>60,918.93</i>	<i>640,527.94</i>	<i>437,759.34</i>	<i>54.42</i>
	<b>Wastewater-Plant</b>	<b>2,281,950.00</b>	<b>126,812.46</b>	<b>1,294,203.95</b>	<b>437,759.34</b>	<b>56.71</b>
	<b>Wastewater-Collections</b>					
	<i>Personnel Services</i>					
20-22-5110	Regular Employees	487,000.00	33,558.56	300,759.54	0.00	61.76
20-22-5130	Overtime	31,000.00	2,449.33	21,947.40	0.00	70.80
20-22-5210	HealthDental Insurance	109,000.00	8,208.15	64,342.17	0.00	59.03
20-22-5230	Social Security	40,000.00	2,729.24	24,476.69	0.00	61.19
20-22-5240	Retirement	65,000.00	6,452.63	48,299.76	0.00	74.31
20-22-5250	TrimetWBFPaid Leave OR	4,000.00	425.11	2,931.44	0.00	73.29
20-22-5270	Workers Compensation	11,000.00	404.25	3,234.00	0.00	29.40
20-22-5290	Other Employee Benefits	5,000.00	23.46	662.04	0.00	13.24
	<i>Personnel Services</i>	<i>752,000.00</i>	<i>54,250.73</i>	<i>466,653.04</i>	<i>0.00</i>	<i>62.05</i>
	<i>Materials &amp; Services</i>					
20-22-6155	Contracted Services	12,500.00	500.00	3,035.08	14.92	24.28
20-22-6220	Electricity	50,000.00	4,072.98	32,094.32	17,905.68	64.19
20-22-6290	Other Utilities	2,000.00	41.51	703.48	166.04	35.17
20-22-6320	Buildings & Grounds	1,000.00	0.00	115.92	0.00	11.59
20-22-6342	Collection System Maint.	45,000.00	0.00	2,209.04	0.00	4.91
20-22-6410	Mileage	1,000.00	180.26	236.66	0.00	23.67
20-22-6420	Staff Training	18,000.00	340.16	13,311.46	0.00	73.95
20-22-6430	Certifications	2,000.00	0.00	1,827.00	0.00	91.35
20-22-6530	Small Tools & Equipment	15,000.00	843.33	7,342.89	5,098.50	48.95
20-22-6540	Safety Supplies	9,000.00	334.29	5,309.92	14.22	59.00
20-22-6550	Operational Supplies	5,000.00	0.00	800.08	0.00	16.00
20-22-6560	Uniforms	0.00	0.00	833.44	0.00	0.00
20-22-6780	Taxes, Fees, Permits	25,000.00	10,612.41	17,774.65	2,995.20	71.10

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
20-22-6900	Miscellaneous Expense	1,000.00	0.00	94.29	0.00	9.43
	<i>Materials &amp; Services</i>	<i>186,500.00</i>	<i>16,924.94</i>	<i>85,688.23</i>	<i>26,194.56</i>	<i>45.95</i>
	<b>Wastewater-Collections</b>	<b>938,500.00</b>	<b>71,175.67</b>	<b>552,341.27</b>	<b>26,194.56</b>	<b>58.85</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Transfers &amp; Contingencies</i>					
20-29-8105	Transfers Out to Fund 05	1,920,000.00	160,000.00	1,280,000.00	0.00	66.67
20-29-8150	Transfers Out to Fund 50	3,435,000.00	642,000.00	1,861,000.00	0.00	54.18
20-29-8172	Transfers Out to Fund 72	1,500,000.00	125,000.00	1,000,000.00	0.00	66.67
20-29-9000	Contingency	451,412.00	0.00	0.00	0.00	0.00
	<i>Transfers &amp; Contingencies</i>	<i>7,306,412.00</i>	<i>927,000.00</i>	<i>4,141,000.00</i>	<i>0.00</i>	<i>56.68</i>
	<b>Transfers &amp; Contingencies</b>	<b>7,306,412.00</b>	<b>927,000.00</b>	<b>4,141,000.00</b>	<b>0.00</b>	<b>56.68</b>
	Expense	10,526,862.00	1,124,988.13	5,987,545.22	463,953.90	56.88
<b>20</b>	<b>Wastewater Reclam.</b>	<b>0.00</b>	<b>-287,507.73</b>	<b>1,432,908.45</b>	<b>-463,953.90</b>	<b>0.00</b>
<b>30</b>	<b>Watershed Protection NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
30-00-3500	Fund Balance	467,895.00	0.00	112,073.99	0.00	23.95
	<i>Beginning Fund Balance</i>	<i>467,895.00</i>	<i>0.00</i>	<i>112,073.99</i>	<i>0.00</i>	<i>23.95</i>
	<b>NonDivisional</b>	<b>467,895.00</b>	<b>0.00</b>	<b>112,073.99</b>	<b>0.00</b>	<b>23.95</b>
	Fund Balance	467,895.00	0.00	112,073.99	0.00	23.95
	<b>NonDivisional</b>					
	<i>Revenue</i>					
30-00-4213	Watershed Protection Fees	1,592,000.00	133,382.51	1,045,542.50	0.00	65.67
30-00-4215	Penalties & Late Charges	1,000.00	263.76	1,730.41	0.00	173.04
30-00-4290	Other Charges for Services	25,000.00	1,000.00	10,257.50	0.00	41.03
30-00-4610	Investment Revenue	2,000.00	-386.45	2,392.69	0.00	119.63
	<i>Revenue</i>	<i>1,620,000.00</i>	<i>134,259.82</i>	<i>1,059,923.10</i>	<i>0.00</i>	<i>65.43</i>
	<b>NonDivisional</b>	<b>1,620,000.00</b>	<b>134,259.82</b>	<b>1,059,923.10</b>	<b>0.00</b>	<b>65.43</b>
	Revenue	1,620,000.00	134,259.82	1,059,923.10	0.00	65.43
	<b>Watershed Protection</b>					
	<i>Personnel Services</i>					
30-23-5110	Regular Employees	96,000.00	7,394.48	63,884.23	0.00	66.55
30-23-5130	Overtime	5,000.00	0.00	0.00	0.00	0.00
30-23-5210	HealthDental Insurance	30,000.00	2,664.45	21,284.25	0.00	70.95
30-23-5230	Social Security	8,000.00	551.21	4,772.72	0.00	59.66
30-23-5240	Retirement	18,000.00	1,325.08	11,447.99	0.00	63.60
30-23-5250	TrimetWBFPaid Leave OR	1,000.00	85.62	572.31	0.00	57.23
30-23-5270	Workers Compensation	1,000.00	76.54	612.32	0.00	61.23
30-23-5290	Other Employee Benefits	1,000.00	-31.90	121.94	0.00	12.19
	<i>Personnel Services</i>	<i>160,000.00</i>	<i>12,065.48</i>	<i>102,695.76</i>	<i>0.00</i>	<i>64.18</i>
	<i>Materials &amp; Services</i>					
30-23-6155	Contracted Services	147,000.00	-2,251.40	73,581.70	74,441.30	50.06
30-23-6340	System Maintenance	25,000.00	0.00	4,470.00	0.00	17.88
30-23-6420	Staff Training	6,000.00	0.00	61.50	0.00	1.03
30-23-6530	Small Tools & Equipment	6,000.00	0.00	3,543.74	0.00	59.06
30-23-6540	Safety Supplies	1,000.00	0.00	0.00	0.00	0.00
30-23-6550	Operational Supplies	1,500.00	0.00	925.00	0.00	61.67
30-23-6730	Communications	58,000.00	2,585.00	9,914.95	11,670.05	17.09
30-23-6780	Taxes, Fees, Permits	4,300.00	0.00	4,125.00	0.00	95.93
30-23-6900	Miscellaneous Expense	1,000.00	0.00	0.00	0.00	0.00
	<i>Materials &amp; Services</i>	<i>249,800.00</i>	<i>333.60</i>	<i>96,621.89</i>	<i>86,111.35</i>	<i>38.68</i>
	<b>Watershed Protection</b>	<b>409,800.00</b>	<b>12,399.08</b>	<b>199,317.65</b>	<b>86,111.35</b>	<b>48.64</b>



Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
	<b>Debt Service</b>					
	<i>Materials &amp; Services</i>					
30-24-6814	Principal Payment-KS Statebank	115,741.00	0.00	115,740.74	0.00	100.00
30-24-6824	Interest Paid-KS Statebank	4,259.00	0.00	4,259.26	0.00	100.01
	<i>Materials &amp; Services</i>	<i>120,000.00</i>	<i>0.00</i>	<i>120,000.00</i>	<i>0.00</i>	<i>100.00</i>
	<b>Debt Service</b>	<b>120,000.00</b>	<b>0.00</b>	<b>120,000.00</b>	<b>0.00</b>	<b>100.00</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Transfers &amp; Contingencies</i>					
30-29-8105	Transfers Out to Fund 05	1,008,000.00	84,000.00	672,000.00	0.00	66.67
30-29-8173	Transfers Out to Fund 73	250,000.00	-20,835.00	125,000.00	0.00	50.00
30-29-9000	Contingency	300,095.00	0.00	0.00	0.00	0.00
	<i>Transfers &amp; Contingencies</i>	<i>1,558,095.00</i>	<i>63,165.00</i>	<i>797,000.00</i>	<i>0.00</i>	<i>51.15</i>
	<b>Transfers &amp; Contingencies</b>	<b>1,558,095.00</b>	<b>63,165.00</b>	<b>797,000.00</b>	<b>0.00</b>	<b>51.15</b>
<b>30</b>	Expense	2,087,895.00	75,564.08	1,116,317.65	86,111.35	53.47
	<b>Watershed Protection</b>	<b>0.00</b>	<b>58,695.74</b>	<b>55,679.44</b>	<b>-86,111.35</b>	<b>0.00</b>
<b>40</b>	<b>WW GO Debt Service NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
40-00-3500	Fund Balance	0.00	0.00	126,408.64	0.00	0.00
	<i>Beginning Fund Balance</i>	<i>0.00</i>	<i>0.00</i>	<i>126,408.64</i>	<i>0.00</i>	<i>0.00</i>
	<b>NonDivisional</b>	<b>0.00</b>	<b>0.00</b>	<b>126,408.64</b>	<b>0.00</b>	<b>0.00</b>
<b>40</b>	Fund Balance	0.00	0.00	126,408.64	0.00	0.00
	<b>WW GO Debt Service</b>	<b>0.00</b>	<b>0.00</b>	<b>126,408.64</b>	<b>0.00</b>	<b>0.00</b>
<b>50</b>	<b>WW Revenue Bond Debt Service NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
50-00-3500	Fund Balance	592,666.00	0.00	568,123.80	0.00	95.86
	<i>Beginning Fund Balance</i>	<i>592,666.00</i>	<i>0.00</i>	<i>568,123.80</i>	<i>0.00</i>	<i>95.86</i>
	<b>NonDivisional</b>	<b>592,666.00</b>	<b>0.00</b>	<b>568,123.80</b>	<b>0.00</b>	<b>95.86</b>
	Fund Balance	592,666.00	0.00	568,123.80	0.00	95.86
	<b>NonDivisional Revenue</b>					
50-00-4610	Investment Revenue	1,000.00	1,411.24	6,467.01	0.00	646.70
	<i>Revenue</i>	<i>1,000.00</i>	<i>1,411.24</i>	<i>6,467.01</i>	<i>0.00</i>	<i>646.70</i>
	<b>NonDivisional</b>	<b>1,000.00</b>	<b>1,411.24</b>	<b>6,467.01</b>	<b>0.00</b>	<b>646.70</b>
	<b>Transfers &amp; Contingencies Revenue</b>					
50-29-4920	Transfer In from Fund 20	3,435,000.00	642,000.00	1,861,000.00	0.00	54.18
	<i>Revenue</i>	<i>3,435,000.00</i>	<i>642,000.00</i>	<i>1,861,000.00</i>	<i>0.00</i>	<i>54.18</i>
	<b>Transfers &amp; Contingencies</b>	<b>3,435,000.00</b>	<b>642,000.00</b>	<b>1,861,000.00</b>	<b>0.00</b>	<b>54.18</b>
	Revenue	3,436,000.00	643,411.24	1,867,467.01	0.00	54.35
	<b>Debt Service</b>					
	<i>Materials &amp; Services</i>					
50-24-6810	2010 SRF Loan Principal	946,261.00	475,422.00	946,261.00	0.00	100.00
50-24-6811	2021 IFA Loan Principal	310,030.00	0.00	310,029.66	0.00	100.00
50-24-6813	JPM Bank Loan Principal	1,420,000.00	0.00	0.00	0.00	0.00



Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
50-24-6820	2010 SRF Loan Interest	282,964.00	166,805.00	282,964.00	0.00	100.00
50-24-6822	2021 IFA Loan Interest	168,839.00	0.00	168,839.41	0.00	100.00
50-24-6823	JPM Bank Loan Interest	306,050.00	0.00	153,025.00	0.00	50.00
	<i>Materials &amp; Services</i>	<i>3,434,144.00</i>	<i>642,227.00</i>	<i>1,861,119.07</i>	<i>0.00</i>	<i>54.19</i>
	<b>Debt Service</b>	<b>3,434,144.00</b>	<b>642,227.00</b>	<b>1,861,119.07</b>	<b>0.00</b>	<b>54.19</b>
50	Expense	3,434,144.00	642,227.00	1,861,119.07	0.00	54.19
	<b>WW Revenue Bond Debt Service</b>	<b>594,522.00</b>	<b>1,184.24</b>	<b>574,471.74</b>	<b>0.00</b>	<b>96.63</b>
71	<b>Drinking Water Capital NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
71-00-3500	Fund Balance	3,911,900.00	0.00	4,539,370.77	0.00	116.04
	<i>Beginning Fund Balance</i>	<i>3,911,900.00</i>	<i>0.00</i>	<i>4,539,370.77</i>	<i>0.00</i>	<i>116.04</i>
	<b>NonDivisional</b>	<b>3,911,900.00</b>	<b>0.00</b>	<b>4,539,370.77</b>	<b>0.00</b>	<b>116.04</b>
	Fund Balance	3,911,900.00	0.00	4,539,370.77	0.00	116.04
	<b>NonDivisional</b>					
	<i>Revenue</i>					
71-00-4221	System Development-Reimburse	50,000.00	31,885.00	115,233.60	0.00	230.47
71-00-4225	System Development-Improvement	50,000.00	29,623.00	105,027.00	0.00	210.05
71-00-4610	Investment Revenue	30,000.00	8,656.72	66,774.73	0.00	222.58
71-00-4640	Proceeds From Sale of Capital	0.00	0.00	13,600.00	0.00	0.00
	<i>Revenue</i>	<i>130,000.00</i>	<i>70,164.72</i>	<i>300,635.33</i>	<i>0.00</i>	<i>231.26</i>
	<b>NonDivisional</b>	<b>130,000.00</b>	<b>70,164.72</b>	<b>300,635.33</b>	<b>0.00</b>	<b>231.26</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Revenue</i>					
71-29-4910	Transfer In from Fund 10	928,000.00	77,333.00	618,668.00	0.00	66.67
	<i>Revenue</i>	<i>928,000.00</i>	<i>77,333.00</i>	<i>618,668.00</i>	<i>0.00</i>	<i>66.67</i>
	<b>Transfers &amp; Contingencies</b>	<b>928,000.00</b>	<b>77,333.00</b>	<b>618,668.00</b>	<b>0.00</b>	<b>66.67</b>
	Revenue	1,058,000.00	147,497.72	919,303.33	0.00	86.89
	<b>Drinking Water Capital Outlay</b>					
71-20-7200	Infrastructure	470,000.00	80,612.90	268,220.85	87,685.26	57.07
71-20-7520	Equipment	64,000.00	0.00	26,017.50	0.00	40.65
71-20-7530	Information Technology	30,000.00	0.00	15,666.34	3,838.49	52.22
71-20-7600	Capital Improvement Projects	2,275,000.00	7,656.50	1,374,113.36	498,535.54	60.40
	<i>Capital Outlay</i>	<i>2,839,000.00</i>	<i>88,269.40</i>	<i>1,684,018.05</i>	<i>590,059.29</i>	<i>59.32</i>
	<b>Drinking Water</b>	<b>2,839,000.00</b>	<b>88,269.40</b>	<b>1,684,018.05</b>	<b>590,059.29</b>	<b>59.32</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Transfers &amp; Contingencies</i>					
71-29-9000	Contingency	288,000.00	0.00	0.00	0.00	0.00
	<i>Transfers &amp; Contingencies</i>	<i>288,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	<b>Transfers &amp; Contingencies</b>	<b>288,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
71	Expense	3,127,000.00	88,269.40	1,684,018.05	590,059.29	53.85
	<b>Drinking Water Capital</b>	<b>1,842,900.00</b>	<b>59,228.32</b>	<b>3,774,656.05</b>	<b>-590,059.29</b>	<b>204.82</b>

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
<b>72</b>	<b>Wastewater Reclamation Capital NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
72-00-3500	Fund Balance	4,006,108.00	0.00	4,164,089.13	0.00	103.94
	<i>Beginning Fund Balance</i>	<i>4,006,108.00</i>	<i>0.00</i>	<i>4,164,089.13</i>	<i>0.00</i>	<i>103.94</i>
	<b>NonDivisional</b>	<b>4,006,108.00</b>	<b>0.00</b>	<b>4,164,089.13</b>	<b>0.00</b>	<b>103.94</b>
	Fund Balance	4,006,108.00	0.00	4,164,089.13	0.00	103.94
	<b>NonDivisional</b>					
	<i>Revenue</i>					
72-00-4610	Investment Revenue	30,000.00	10,267.89	67,168.33	0.00	223.89
72-00-4640	Proceeds From Sale of Capital	0.00	0.00	33,900.00	0.00	0.00
	<i>Revenue</i>	<i>30,000.00</i>	<i>10,267.89</i>	<i>101,068.33</i>	<i>0.00</i>	<i>336.89</i>
	<b>NonDivisional</b>	<b>30,000.00</b>	<b>10,267.89</b>	<b>101,068.33</b>	<b>0.00</b>	<b>336.89</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Revenue</i>					
72-29-4920	Transfer In from Fund 20	1,500,000.00	125,000.00	1,000,000.00	0.00	66.67
	<i>Revenue</i>	<i>1,500,000.00</i>	<i>125,000.00</i>	<i>1,000,000.00</i>	<i>0.00</i>	<i>66.67</i>
	<b>Transfers &amp; Contingencies</b>	<b>1,500,000.00</b>	<b>125,000.00</b>	<b>1,000,000.00</b>	<b>0.00</b>	<b>66.67</b>
	<i>Revenue</i>	1,530,000.00	135,267.89	1,101,068.33	0.00	71.97
	<b>Wastewater-Plant Capital Outlay</b>					
72-21-7400	Improvement Other than Bldgs	75,000.00	3,620.00	44,810.00	0.00	59.75
72-21-7520	Equipment	490,365.00	9,988.00	254,585.20	208,885.00	51.92
72-21-7530	Information Technology	127,849.00	0.00	20,610.34	103,608.59	16.12
72-21-7600	Capital Improvement Projects	990,786.00	61,779.00	246,177.18	389,956.40	24.85
	<i>Capital Outlay</i>	<i>1,684,000.00</i>	<i>75,387.00</i>	<i>566,182.72</i>	<i>702,449.99</i>	<i>33.62</i>
	<b>Wastewater-Plant</b>	<b>1,684,000.00</b>	<b>75,387.00</b>	<b>566,182.72</b>	<b>702,449.99</b>	<b>33.62</b>
	<b>Wastewater-Collections</b>					
	<i>Capital Outlay</i>					
72-22-7200	Infrastructure	86,045.00	24,752.61	118,886.49	8,316.80	138.17
72-22-7520	Equipment	37,478.00	0.00	37,478.00	0.00	100.00
72-22-7530	Information Technology	201,424.00	0.00	9,102.83	193,884.09	4.52
72-22-7600	Capital Improvement Projects	2,134,393.00	53,585.96	326,965.12	96,116.34	15.32
	<i>Capital Outlay</i>	<i>2,459,340.00</i>	<i>78,338.57</i>	<i>492,432.44</i>	<i>298,317.23</i>	<i>20.02</i>
	<b>Wastewater-Collections</b>	<b>2,459,340.00</b>	<b>78,338.57</b>	<b>492,432.44</b>	<b>298,317.23</b>	<b>20.02</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Transfers &amp; Contingencies</i>					
72-29-9000	Contingency	361,834.00	0.00	0.00	0.00	0.00
	<i>Transfers &amp; Contingencies</i>	<i>361,834.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	<b>Transfers &amp; Contingencies</b>	<b>361,834.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>72</b>	<b>Expense Wastewater Reclamation Capital</b>	<b>4,505,174.00</b>	<b>153,725.57</b>	<b>1,058,615.16</b>	<b>1,000,767.22</b>	<b>23.50</b>
		<b>1,030,934.00</b>	<b>-18,457.68</b>	<b>4,206,542.30</b>	<b>-1,000,767.22</b>	<b>408.03</b>

73 Watershed Protection

Account Number	Description	Budget	Period Amt	End Bal	Encumbered	% of Budget
	<b>Capital</b>					
	<b>NonDivisional</b>					
	<i>Beginning Fund Balance</i>					
73-00-3500	Fund Balance	2,173,058.00	0.00	2,501,104.54	0.00	115.10
	<i>Beginning Fund Balance</i>	<i>2,173,058.00</i>	<i>0.00</i>	<i>2,501,104.54</i>	<i>0.00</i>	<i>115.10</i>
	<b>NonDivisional</b>	<b>2,173,058.00</b>	<b>0.00</b>	<b>2,501,104.54</b>	<b>0.00</b>	<b>115.10</b>
	Fund Balance	2,173,058.00	0.00	2,501,104.54	0.00	115.10
	<b>NonDivisional</b>					
	<i>Revenue</i>					
73-00-4610	Investment Revenue	10,000.00	9,340.12	31,311.39	0.00	313.11
	<i>Revenue</i>	<i>10,000.00</i>	<i>9,340.12</i>	<i>31,311.39</i>	<i>0.00</i>	<i>313.11</i>
	<b>NonDivisional</b>	<b>10,000.00</b>	<b>9,340.12</b>	<b>31,311.39</b>	<b>0.00</b>	<b>313.11</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Revenue</i>					
73-29-4930	Transfer In from Fund 30	250,000.00	-20,835.00	125,000.00	0.00	50.00
	<i>Revenue</i>	<i>250,000.00</i>	<i>-20,835.00</i>	<i>125,000.00</i>	<i>0.00</i>	<i>50.00</i>
	<b>Transfers &amp; Contingencies</b>	<b>250,000.00</b>	<b>-20,835.00</b>	<b>125,000.00</b>	<b>0.00</b>	<b>50.00</b>
	Revenue	260,000.00	-11,494.88	156,311.39	0.00	60.12
	<b>Watershed Protection</b>					
	<i>Capital Outlay</i>					
73-23-7520	Equipment	18,647.00	0.00	18,647.00	0.00	100.00
73-23-7600	Capital Improvement Projects	281,353.00	0.00	2,729.50	21,864.21	0.97
	<i>Capital Outlay</i>	<i>300,000.00</i>	<i>0.00</i>	<i>21,376.50</i>	<i>21,864.21</i>	<i>7.13</i>
	<b>Watershed Protection</b>	<b>300,000.00</b>	<b>0.00</b>	<b>21,376.50</b>	<b>21,864.21</b>	<b>7.13</b>
	<b>Transfers &amp; Contingencies</b>					
	<i>Transfers &amp; Contingencies</i>					
73-29-9000	Contingency	50,000.00	0.00	0.00	0.00	0.00
	<i>Transfers &amp; Contingencies</i>	<i>50,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	<b>Transfers &amp; Contingencies</b>	<b>50,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
73	Expense	350,000.00	0.00	21,376.50	21,864.21	6.11
	<b>Watershed Protection</b>	<b>2,083,058.00</b>	<b>-11,494.88</b>	<b>2,636,039.43</b>	<b>-21,864.21</b>	<b>126.55</b>
	<b>Capital</b>					
	Revenue Total	<b>25,853,400.00</b>	<b>2,528,897.97</b>	<b>16,981,241.00</b>	<b>0.00</b>	<b>0.6568</b>
	Expense Total	<b>34,813,361.00</b>	<b>2,929,414.19</b>	<b>17,464,028.41</b>	<b>3,039,515.47</b>	<b>0.5016</b>

# General Ledger

## Account Roll up



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Period 08 - 08

Fiscal Year 2023

Sort Level	Description	Budget	Period Amt	End Bal	% Expend /Collect
<b>Revenue</b>	<b>Revenue</b>				
4210	Water Sales - CRW	\$ 30,000.00	\$ 2,303.37	\$ 29,465.87	98.2%
4211	Water sales	\$ 4,351,000.00	\$ 265,201.50	\$ 2,922,259.11	67.2%
4212	Wastewater Charges	\$ 9,199,000.00	\$ 818,110.49	\$ 5,953,860.64	64.7%
4213	Watershed protection fees	\$ 1,592,000.00	\$ 133,382.51	\$ 1,045,542.50	65.7%
4215	Penalties & late charges	\$ 23,000.00	\$ 2,333.58	\$ 18,755.69	81.6%
4220	System Development Charges	\$ 100,000.00	\$ 15,495.00	\$ 46,485.00	46.5%
4221	System Development-Reimburse	\$ 50,000.00	\$ 31,885.00	\$ 115,233.60	230.5%
4225	System Development-Improvement	\$ 50,000.00	\$ 29,623.00	\$ 105,027.00	210.1%
4227	System Development-Compliance	\$ -	\$ 949.00	\$ 2,993.00	0.0%
4230	Contract services	\$ 57,400.00	\$ 4,000.00	\$ 37,400.00	65.2%
4240	Service installations	\$ 10,000.00	\$ 15,022.00	\$ 28,443.00	284.4%
4280	Rents & leases	\$ 180,000.00	\$ 14,862.85	\$ 125,996.35	70.0%
4290	Other charges for services	\$ 45,000.00	\$ 5,484.65	\$ 25,423.15	56.5%
4610	Investment revenue	\$ 80,000.00	\$ 33,429.94	\$ 206,074.31	257.6%
4630	Miscellaneous revenues	\$ 37,000.00	\$ 5,317.08	\$ 42,113.78	113.8%
4640	Proceeds from sale of capital	\$ -	\$ -	\$ 47,500.00	0.0%
		<b>\$ 15,804,400.00</b>	<b>\$ 1,377,399.97</b>	<b>\$ 10,752,573.00</b>	<b>68.0%</b>
4910	Transfer in from Fund 10	\$ 1,936,000.00	\$ 161,333.00	\$ 1,290,668.00	66.7%
4920	Transfer in from Fund 20	\$ 6,855,000.00	\$ 927,000.00	\$ 4,141,000.00	60.4%
4930	Transfer in from Fund 30	\$ 1,258,000.00	\$ 63,165.00	\$ 797,000.00	63.4%
<b>Revenue</b>	<b>Revenue</b>	<b>\$ 25,853,400.00</b>	<b>\$ 2,528,897.97</b>	<b>\$ 16,981,241.00</b>	<b>65.7%</b>
<b>Expense</b>	<b>Expense</b>				
<b><u>Personnel Services</u></b>					
5110	Regular employees	\$ 3,519,000.00	\$ 239,723.86	\$ 2,170,618.95	61.7%
5130	Overtime	\$ 129,000.00	\$ 12,012.41	\$ 92,462.28	71.7%
5210	Employee Ins	\$ 702,000.00	\$ 48,860.84	\$ 414,126.79	59.0%
5230	Social Security	\$ 277,000.00	\$ 18,911.16	\$ 167,476.98	60.5%
5240	Retirement	\$ 629,000.00	\$ 46,977.88	\$ 413,119.52	65.7%
5250	Trimet/WBF/Paid Leave OR	\$ 31,000.00	\$ 2,922.56	\$ 20,308.56	65.5%
5260	Unemployment	\$ 20,000.00	\$ -	\$ 16,126.00	80.6%
5270	Workers compensation	\$ 46,000.00	\$ 1,615.38	\$ 12,923.04	28.1%
5290	Other employee benefits	\$ 21,000.00	\$ (1,134.43)	\$ 6,132.81	29.2%
		<b>\$ 5,374,000.00</b>	<b>\$ 369,889.66</b>	<b>\$ 3,313,294.93</b>	<b>61.7%</b>
<b><u>Materials &amp; Services</u></b>					
6110	Legal services	\$ 375,000.00	\$ 67,900.85	\$ 210,795.17	56.2%
6120	Accounting & audit services	\$ 76,000.00	\$ -	\$ -	0.0%
6155	Contracted Services	\$ 922,250.00	\$ 43,636.62	\$ 496,286.36	53.8%
6175	Records Management	\$ 8,500.00	\$ 625.98	\$ 4,282.80	50.4%
6180	Dues & subscriptions	\$ 60,000.00	\$ 3,609.16	\$ 27,396.99	45.7%

Sort Level	Description	Budget	Period Amt	End Bal	% Expend /Collect
6220	Electricity	\$ 408,000.00	\$ 31,404.66	\$ 242,830.44	59.5%
6230	Telephone	\$ 63,000.00	\$ 4,629.26	\$ 31,556.11	50.1%
6240	Natural gas	\$ 9,500.00	\$ 849.94	\$ 5,118.34	53.9%
6250	Solid waste disposal	\$ 52,000.00	\$ -	\$ 15,351.21	29.5%
6290	Other utilities	\$ 15,600.00	\$ 4,509.97	\$ 11,361.97	72.8%
6310	Janitorial services	\$ 26,000.00	\$ 2,191.05	\$ 17,528.40	67.4%
6320	Buildings & grounds	\$ 104,000.00	\$ 10,981.58	\$ 57,517.03	55.3%
6330	Vehicle & equipment maint.	\$ 75,000.00	\$ (109.01)	\$ 47,885.66	63.9%
6340	Distribution system maint	\$ 225,000.00	\$ 13,027.29	\$ 132,563.15	58.9%
6342	Collection system maint.	\$ 245,000.00	\$ 7,470.50	\$ 115,730.25	47.2%
6350	Computer maintenance	\$ 313,103.00	\$ 16,151.14	\$ 180,350.04	57.6%
6410	Mileage	\$ 7,200.00	\$ 760.86	\$ 4,110.72	57.1%
6420	Staff training	\$ 93,000.00	\$ 2,782.36	\$ 47,707.47	51.3%
6430	Certifications	\$ 8,000.00	\$ (65.00)	\$ 4,213.00	52.7%
6440	Board travel & training	\$ 9,000.00	\$ -	\$ 917.97	10.2%
6510	Office supplies	\$ 34,200.00	\$ 2,106.42	\$ 25,371.55	74.2%
6520	Fuel & oils	\$ 51,000.00	\$ 3,453.54	\$ 29,008.13	56.9%
6525	Chemicals	\$ 65,000.00	\$ 5,989.42	\$ 44,094.36	67.8%
6530	Small tools & equipment	\$ 40,000.00	\$ 3,767.31	\$ 25,808.53	64.5%
6540	Safety supplies	\$ 68,500.00	\$ 2,311.30	\$ 43,106.23	62.9%
6550	Operational Supplies	\$ 34,000.00	\$ 1,788.23	\$ 18,877.16	55.5%
6560	Uniforms	\$ 38,000.00	\$ 1,894.30	\$ 22,639.63	59.6%
6590	Other supplies	\$ 5,000.00	\$ (114.95)	\$ 474.66	9.5%
6610	Board compensation	\$ 2,500.00	\$ -	\$ -	0.0%
6620	Election Costs	\$ 32,000.00	\$ -	\$ -	0.0%
6710	Purchased water	\$ 1,170,000.00	\$ 66,439.47	\$ 760,881.11	65.0%
6715	Water quality program	\$ 16,000.00	\$ (129.27)	\$ 4,526.75	28.3%
6720	Insurance	\$ 300,000.00	\$ 16,982.35	\$ 123,821.79	41.3%
6730	Communications	\$ 98,100.00	\$ 4,324.49	\$ 14,494.04	14.8%
6740	Advertising	\$ 6,500.00	\$ (1,238.00)	\$ 3,645.24	56.1%
6760	Equipment Rental	\$ 57,000.00	\$ 4,569.00	\$ 28,298.73	49.7%
6770	Bank charges	\$ 160,000.00	\$ 187.00	\$ 80,396.08	50.3%
6780	Taxes, Fees & Permits	\$ 151,000.00	\$ 2,665.38	\$ 88,408.61	58.6%
6900	Miscellaneous expense	\$ 7,000.00	\$ (79.99)	\$ 518.32	7.4%
		\$ 5,430,953.00	\$ 325,273.21	\$ 2,967,874.00	54.6%
<b><u>Debt Service and Special Payments</u></b>					
6810	2010 SRF Loan Principal	\$ 946,261.00	\$ 475,422.00	\$ 946,261.00	100.0%
6811	2010 IFA Loan Principal	\$ 310,030.00	\$ -	\$ 310,029.66	100.0%
6813	JPM Bank Loan Principal	\$ 1,420,000.00	\$ -	\$ -	0.0%
6814	Principal Payment-KS Statebank	\$ 115,741.00	\$ -	\$ 115,740.74	100.0%
6815	Zions Bank loan-principal	\$ 188,000.00	\$ 188,000.00	\$ 188,000.00	100.0%
6820	2010 SRF Loan Interest	\$ 282,964.00	\$ 166,805.00	\$ 282,964.00	100.0%
6822	2010 IFA Loan Interest	\$ 168,839.00	\$ -	\$ 168,839.41	100.0%
6823	JPM Bank Loan Interest	\$ 306,050.00	\$ -	\$ 153,025.00	50.0%
6824	Interest Paid-KS Statebank	\$ 4,259.00	\$ -	\$ 4,259.26	100.0%
6825	Zions Bank loan-interest	\$ 21,063.00	\$ 10,531.35	\$ 21,062.70	100.0%
		\$ 3,763,207.00	\$ 840,758.35	\$ 2,190,181.77	58.2%
<b><u>Capital Outlay</u></b>					
7200	Infrastructure	\$ 556,045.00	\$ 105,365.51	\$ 387,107.34	69.6%
7400	Improvement other than Bldgs	\$ 75,000.00	\$ 3,620.00	\$ 44,810.00	59.8%
7520	Equipment	\$ 610,490.00	\$ 9,988.00	\$ 336,727.70	55.2%
7530	Information Technology	\$ 359,273.00	\$ -	\$ 45,379.51	12.6%

Sort Level	Description	Budget	Period Amt	End Bal	% Expend /Collect
7600	Capital Improvement Projects	\$ 5,681,532.00	\$ 123,021.46	\$ 1,949,985.16	34.3%
		\$ 7,282,340.00	\$ 241,994.97	\$ 2,764,009.71	38.0%
<b><u>Transfers</u></b>					
8105	Transfers out to Fund 05	\$ 3,936,000.00	\$ 328,000.00	\$ 2,624,000.00	66.7%
8150	Transfers out to Fund 50	\$ 3,435,000.00	\$ 642,000.00	\$ 1,861,000.00	54.2%
8171	Transfers out to Fund 71	\$ 928,000.00	\$ 77,333.00	\$ 618,668.00	66.7%
8172	Transfers out to Fund 72	\$ 1,500,000.00	\$ 125,000.00	\$ 1,000,000.00	66.7%
8173	Transfers out to Fund 73	\$ 250,000.00	\$ (20,835.00)	\$ 125,000.00	50.0%
		\$ 10,049,000.00	\$ 1,151,498.00	\$ 6,228,668.00	62.0%
		\$ 31,899,500.00	\$ 2,929,414.19	\$ 17,464,028.41	54.7%
9000	Contingency	\$ 2,945,861.00	\$ -	\$ -	0.0%
<b>Expense</b>	<b>Expense</b>	\$ 34,845,361.00	\$ 2,929,414.19	\$ 17,464,028.41	50.1%
<b>Revenue Total</b>		\$ 25,853,400.00	\$ 2,528,897.97	\$ 16,981,241.00	65.7%
<b>Expense Total</b>		\$ 34,845,361.00	\$ 2,929,414.19	\$ 17,464,028.41	50.1%
<b>Grand Total</b>		\$ (8,991,961.00)	\$ (400,516.22)	\$ (482,787.41)	5.4%



## AGENDA ITEM

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<b>To</b>	Board of Directors
<b>From</b>	Laural Casey, District Recorder
<b>Title</b>	Approval of Meeting Minutes
<b>Item No.</b>	3b
<b>Date</b>	April 18, 2023

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### **Summary of Minutes for Approval**

The Board of Directors reviews and approves the minutes of the Body's prior public meetings.

### **Attachments**

1. March 21, 2023 Board Meeting Minutes



**OAK LODGE WATER SERVICES  
BOARD OF DIRECTORS  
REGULAR MEETING MINUTES  
MARCH 21, 2023**

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Board of Directors

Kevin Williams	Vice Chair
Paul Gornick	Treasurer
Ginny Van Loo	Director
Heidi Bullock	Director

Oak Lodge Water Services Staff

Sarah Jo Chaplen	General Manager
Brad Albert	Public Works Director/District Engineer
Aleah Binkowski-Burk	Human Resources/Payroll Manager
Gail Stevens	Finance Director
David Hawkins	Plant Superintendent
Chad Martinez	Collection Operations Supervisor
Laural Casey	District Recorder
Alexa Morris	Outreach and Communications Specialist
Haakon Ogbeide	Water Services Engineer

Consultants & Organizational Representatives

Laura Westmeyer	Cable Huston
Chris Duckworth	CDR Labor Law
Scott Duren	Water Systems Consulting

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**1. Call to Order & Hybrid Meeting Facilitation Protocols**

Vice Chair Williams called the meeting to order at 6:00 p.m.

General Manager Chaplen overviewed the general protocols of a hybrid meeting.

Vice Chair Williams introduced guests visiting in an official capacity: Chris Hawes, Chair of the Sunrise Water Authority Board of Commissioners, and Sherry French, President of the Clackamas River Water Board of Commissioners.

**2. Call for Public Comment**

There were no members of the public in attendance.



### **3. Consent Agenda**

Items on the Consent Agenda Included:

- The January 2023 Financial Report
- Approval of February 21, 2023 Board Meeting Minutes
- Approval of Contract Renewal with Relay Resources

The Board asked clarifying questions related to the Financial Report.

Treasurer Gornick moved to approve the Consent Agenda. Director Bullock seconded. District Recorder Casey conducted a roll call vote. Voting Aye: Directors Williams, Gornick, Van Loo, and Bullock.

MOTION CARRIED

### **4. Consideration of Draft Wastewater Master Plan**

Public Works Director/District Engineer (PWD) Albert stated no further comments or questions had been received since the presentation of the Wastewater Master Plan (WWMP) during the February 21, 2023 meeting.

The Board thanked the staff and consultants for a comprehensive and easy-to-read WWMP.

Treasurer Gornick moved to adopt the Wastewater Master Plan. Director Van Loo seconded. District Recorder Casey conducted a roll call vote. Voting Aye: Directors Williams, Gornick, Van Loo, and Bullock.

MOTION CARRIED

### **5. Consideration of Contract Award for Hillside Wastewater Construction**

Water Services Engineer Ogbeide overviewed the Hillside Wastewater Project.

The Board asked questions regarding the subcontractors of the project and the length of time this project has been on the Capital Improvement Plan.

Director Bullock moved to approve the General Manager to sign a public improvement contract with Canby Excavating, Inc for the work of constructing the hillside sewer line replacement for \$629,880 and make available a project contingency not to exceed \$75,000. Director Van Loo seconded. District Recorder Casey conducted a roll call vote. Voting Aye: Directors Williams, Gornick, Van Loo, and Bullock.

MOTION CARRIED

### **6. Consideration of Stranded Workers Intergovernmental Agreement**

Human Resources Manager Binkowski-Burk overviewed the intergovernmental agreement.

The Board asked clarifying questions related to the development of the personnel database.

Treasurer Gornick moved to approve the General Manager to sign the *Intergovernmental Agreement for the Lending of Personnel Within Clackamas County When Personnel are Unable to Get to Their Normal Reporting Location*. Director Bullock seconded. District Recorder Casey conducted a roll call vote. Voting Aye: Directors Williams, Gornick, Van Loo, and Bullock.

MOTION CARRIED

## **7. Consideration of Contract Award for SCADA Master Services Agreements**

PWD Albert outlined the SCADA request for proposals process and the purpose of the master services agreements.

Treasurer Gornick moved to approve the General Manager to sign Master Services On-Call Contracts with OCD Automation Inc. and Portland Engineering Inc. Director Van Loo seconded. District Recorder Casey conducted a roll call vote. Voting Aye: Williams, Gornick, Van Loo, and Bullock.

MOTION CARRIED

## **8. Presentation of Proposed Updates to Contracting and Purchasing Rules Policy**

General Manager Chaplen explained the purpose of the policy and overviewed the proposed updates.

The Board asked questions related to remedy contracts.

General Manager Chaplen stated the policy would be on the April agenda for adoption.

## **9. Business from the Board**

Director Bullock and Treasurer Gornick detailed their written reports.

Vice Chair Williams stated it was “Fix a Leak Week” and emphasized the importance of this messaging as over 3 trillion gallons of water are wasted annually in the USA. Director Bullock commended OLWS staff for leak detection efforts, including one in her home.

Director Van Loo thanked Marty, an OLWS staff member, for quickly addressing calls from Van Loo’s neighbors about drinking water odor.

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

*Vice Chair Williams re-opened public comment due to the late arrival of two members of the public.*

Diane Bagüès spoke against the public tolling of Interstate 205 and in support of proactive water conservation efforts. Diane encouraged OLWS to build infrastructure now before there are water

shortages. Diane brought mason bees for meeting participants to put in their gardens.

### **10. Department Reports**

The Management Team provided monthly highlights including:

- Ongoing customer communication and outreach,
- An update on the Authority's banking and financial reporting setup,
- Flow monitoring data analysis,
- Manhole cover survey,
- Beaver dam removal,
- Wastewater Treatment Plant blower issues, and
- An aquatic toxicology fish test will be repeated due to icy weather and stringent lab hold times.

The Board asked questions related to service fees, red tag reporting, and the difference between storm system covers and manhole covers.

### **11. Recess to Executive Session**

Vice Chair Williams recessed to executive session at 6:50 p.m. under ORS 192.660(2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations.

### **12. Adjourn Executive Session**

Vice Chair Williams adjourned the executive session at 7:11 p.m.

No decisions were made as a result of the executive session.

### **13. Adjourn Meeting**

Vice Chair Williams adjourned the meeting at 7:11 p.m.

Respectfully submitted,

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Susan Keil  
Chair, Board of Directors

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Kevin Williams  
Vice Chair, Board of Directors

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

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



## STAFF REPORT

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**To** Board of Directors  
**From** David Hawkins, Plant Superintendent  
**Title** Approval of Contract with Trojan Technologies Inc.  
**Item No.** 3c  
**Date** April 18, 2023

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### Summary

Staff is seeking approval for the General Manager to enter into a contract with Trojan Technologies Inc. (Trojan) for procurement and installation of the Ultraviolet (UV) Disinfection Programmable Logic Controller (PLC) along with other ancillary equipment related to the PLC. The total price of this contract is \$91,300.00

### Background

As part of the routine preventative maintenance program that Oak Lodge is developing, one of the major projects is the replacement of the original PLC's that are now nearing their end of useful life. In late January of 2021, Portland Engineering Inc. (PEI) laid out a 3-year road map of all components and equipment related to the Supervisory Control and Data Acquisition (SCADA) program at the Wastewater Treatment Plant (WWTP). This roadmap included all recommended updates and upgrades to the WWTP SCADA system, including the PLC's.

Fiscal year (FY) 2023 was the first year of this roadmap and included three major projects: The Headworks PLC upgrade, the SCADA computer upgrade, and the UV disinfection PLC upgrade. To date, both the Headworks PLC upgrade and the SCADA computer upgrade have been completed. Due to lead times surrounding the UV PLC and the accidental ordering of the wrong equipment, this job has been delayed.

In February of 2022, OLWS' contracted programmers, PEI, approached staff and explained that due to potential complications they would no longer be willing to perform the job but would defer to Trojan, whose equipment the PLC runs, to perform the work. By mid-February OLWS had received the quote from Trojan. Rather than the original price PEI had quoted us of \$40,610, Trojan's quote came back at \$91,225.54. Staff also reached out to OCD Automation (OCD) for a quote but did not receive one back by the closing date.

Trojan has also stated that the PLC's that would be used in the UV disinfection area are at a minimum 10-month lead time. Staff would like to get a purchase order submitted to Trojan so

the PLC can get ordered, with the installation most likely taking place in FY 2024.

### **Past Board Actions**

On May 17<sup>th</sup>, 2022, the Board approved and adopted the FY 2022-2023 Budget, which contained the initial project.

### **Budget**

Funding for this contract comes from the Wastewater Capital Fund, specifically line 72-21-7530. Staff have also consulted the Finance Director regarding the price increase, as well as other budgetary considerations.

### **Recommendation**

Staff requests Board approval for the General Manager to sign a contract with Trojan Technologies Inc. for the procurement and installation of the UV PLC and associated equipment in the amount of \$91,300.00.

### **Suggested Board Motion**

*"I move to approve the General Manager to sign a contract with Trojan Technologies Inc. for \$91,300 for the procurement and installation of the UV PLC and its associated equipment."*

### **Attachments**

1. Trojan Technologies Inc. Proposal

**UV3PLUS™ DISINFECTION SYSTEM  
SCC UPGRADE- PLC L71  
For  
OAK LODGE, OR WWTP**

**Date: March 20, 2023**

**Project No: 511626**

**NOTICE**

**This report is proprietary and may not be reproduced or  
distributed to parties not directly associated with the  
Oak Lodge, Or WWTP  
without the express written permission of Trojan Technologies.**

## **SYSTEM CONTROL CENTRE (SCC) Upgrade Recommendations**

A proposal to upgrade the existing processors within the SCC (System Control Centre) is enclosed for your review. The recommended scope of work, equipment and services are described within the enclosed quote. Should you require any clarification or if you have any questions then please call or email.

The sites existing Control Logix L61 controllers are now obsolete. Trojan is proposing Allen Bradley Control Logix L71 PLC based system, removal of the Control Logix cards and the addition of Ethernet for redundancy. The hardware described below will provide a redundant control system.

Options also include:

Upgrading the HSC processor (See separate quote QO0004204)

Brian Fischer  
Account Manager  
720-526-7101  
mountainwestus@trojantechnologies.com

### **System Control Center (SCC) Scope of Supply: Parts**

The UV SCC shall consist of the components as detailed in the table below. The price does not allow for programming or site installation services. Site service is described separately.

<b>QTY</b>	<b>DESCRIPTION</b>	<b>UNIT MODEL NUMBER / COMMENT</b>
2	Processor: Allen Bradley Control Logix 1756-L71	ControlLogix 5571 Controller
3	Power Supply 1756-PB75	ControlLogix, 85-265 VAC Power Supply (13 Amp @ 5V)
3	EtherNet 1756-ENBTR	EtherNet 10-100M Interface Module (supports 64 TCP/IP connections)
2	1756-RM2/A	Redundancy modules
1	Prosoft Card (Modbus Serial)	MVI56E-MCM
<b>Total Parts Price USD\$</b>		<b>66,775.54</b>

### **Scope of Supply: Programming & Site Service**

The following site service will be required to complete the programming, inspection, commissioning and startup of the new hardware within the SCC.

<b>Description</b>	<b>Certified Service Technician</b>	<b>Total Price (US\$)</b>
PLC and HMI programming (after in house testing & verification) to be downloaded and configured to site control philosophy: Trojan requires an upload of the existing code operating at site prior to the conversion.		18,500.00
Service Travel Days	1	950.00
Site Days required	2	4,000.0
Airfare, estimated, invoice @ actual (US\$)		1,000.00
<b>Total Service Price US\$</b>		<b>24,450.00</b>

\*\*\* PO for Programming & Site Service due within 45 days of receipt of all parts by Trojan Technologies so that programming/configuration work can begin. All parts expected by October 31, 2023 based on current lead times.



**Site\Integrator Responsibility (SCC Upgrade):**

1. Approval (or approval as noted) of submittal drawing(s), if required.
2. Making operators available for training on the new SCC control panel.
3. Upload of current PLC program operating at site.

**Trojan Responsibility (SCC Upgrade):**

Trojan will be responsible for providing one electronic copy of:

- Submittal drawing(s) for site approval
- Final (as approved) submittal drawings
- Appropriate corrected sections for the original O&M Manuals. (Electrical, Controls Narrative)

Trojan Certified Service Controls Technician is responsible for:

1. Installation of new hardware and verifying the configuration, communications of the new hardware within the existing SCC panel.
2. SCADA Integration (if applicable)

## **Terms & Conditions:**

Trojan Technologies Terms and Conditions apply and are attached.

Shipment terms are ExWorks (ExW). Partial shipments are allowed.

Payment terms: Net 30 days after final SCC installation or Net 60 days after shipment, whichever occurs earlier.

Quote valid till December 31, 2023

Delivery to be confirmed at order placement.

Warranty is one (1) year materials.

Daily Rate and Travel Daily Rate, if quoted, includes hourly rate, accommodations, and meals. It does not include airfare.

Trojan employee on-site work will be performed during the working hours of 0800 – 1630 Monday through Friday except for statutory holidays. If site access/working hours are different from this then please advise and we will work to accommodate site hours.



## STAFF REPORT

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**To** Board of Directors  
**From** Sarah Jo Chaplen, General Manager  
**Title** Consideration of Resolution No. 2023-0015 Adopting Updated Public Contracting and Purchasing Rules  
**Item No.** 4  
**Date** April 18, 2023

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### Summary

Staff is presenting a final draft of the proposed updates to the OLWS Contracting and Purchasing Rules Policy (the “Procurement Rules”), along with a corresponding Resolution for Board action.

### Background

OLWS is a contracting agency that routinely deals with public contracts. “Public contracts” refer to the acquisition of goods or services, including construction services, by OLWS (be it by sale, purchase, lease, rental, or any other method). Public contracts are a heavily regulated area of law in Oregon, which regulations exist, in part, to ensure that the policies set forth by the State are met. Some of those policies include:

- a. Instilling public confidence through ethical and fair dealings of local government, and demonstrating honesty and good faith on the part of the government.
- b. Promoting the efficient use of government resources and maximizing economic investments.
- c. Providing for meaningful, open, and impartial competition, and protecting the integrity of the process.

The default laws and regulations that apply to contracting agencies are found in the Public Contracting Code, throughout various chapters of the Oregon Revised Statutes (ORSs) and Oregon Administrative Regulations (OARs). Rather than apply the default laws and regulations, contracting agencies may adopt their own local rules for public contracts, which allow for a greater amount of flexibility and control over the public contracting process than would otherwise be prescribed by the State laws and regulations. While there is a great deal of flexibility in adopting local rules, the rules must still comply with the requirements of the State Public Contracting Code.

The Board has chosen to adopt its own local public contracting code to govern OLWS public contract dealings, which are contained in the OLWS Procurement Rules. The Procurement Rules govern both the administrative procedure and the substantive requirements that apply to every OLWS public contract. They prescribe the administrative process for entering into public contracts (such as what type of public notice is required, and to how many potential vendors the request for a proposal must be offered). The Procurement Rules also specify the substantive criteria that apply to public contracts (such as what factors OLWS may consider when deciding among multiple manufacturers of the same good).

The current version of the Procurement Rules was adopted by the OLWS Board in November 2018. Since that time, OLWS staff have gone through a multitude of procurements. In so doing, staff and the OLWS legal counsel have identified areas of the Procurement Rules that could be revised to include more flexibility for OLWS; to clarify sections that could benefit from additional detail; and to add provisions where further guidance would be helpful. Those areas were revised and the changes are outlined in the summary section below. The changes were made in redlines to the draft Procurement Rules that were reviewed by the Board at its March 21, 2023 meeting.

The Board reviewed and discussed the March 21st redlines draft, and had no proposed changes. Staff then finalized the document for adoption, which is the version that accompanies this staff report and is proposed for adoption through Resolution No. 2023-0015.

### **Summary of Changes**

The following are the proposed changes to the current version of the Procurement Rules. The changes are also identified as comments within the draft Procurement Rules.

- 1. Updated entity name.** Replaced “District” with “OLWS” throughout, to reflect the change in entity from the OLWS District to the OLWS Authority. Note that this change was the only update that was not made in redlines, for clarity purposes.
- 2. Removed spending authority limits for the General Manager.** Removed spending limits for the General Manager from the Procurement Rules, because that is more of a risk-management decision than a procurement procedure decision. Instead of remaining in the Procurement Rules, the General Manager’s spending authority and contracting authority was authorized through a resolution adopted by the Board in December 2022, with the expectation that it would be removed in the next update of the Procurement Rules.
- 3. Removed emergency procurement spending limits.** Removed the spending limit on emergency procurements to allow the General Manager to spend beyond the General Manager’s spending limits. This change is consistent with the practices of other public entities in emergency situations, and is more practical for when an emergency is faced.

Emergency procurements above the General Manager's spending limits must still be ratified by the Board at the first practical opportunity.

4. **Added new protest procedures.** Added a protest procedure for determinations of brand name specifications, and to be used generally as a default procedure where none is specified. Ensuring that there is a local protest process creates an administrative appeal and ability to work through protests locally before a challenge may arrive to the circuit court.
5. **Clarified who responds to protests.** Clarified that the General Manager (or designee) is the OLWS representative who responds to protests.
6. **Added new exemptions (additional special procurement categories):**
  - a. In-kind equipment replacements. Goods being replaced in-kind has been added as a special procurement category. As a special procurement class, these purchases could be made by direct appointment or by any other method of the General Manager's choosing.
  - b. Testing for the purpose of meeting regulatory requirements. For example, the testing that is required under OLWS's NPDES permit. As a special procurement class, these procurements could be made by direct appointment or by any other method of the General Manager's choosing.
  - c. Purchase of surplus goods. As a special procurement class, these purchases could be made by direct appointment or by any other method of the General Manager's choosing.
  - d. Remedy contracts. Contracting for a vendor to step in and rectify an existing contractor's unsatisfactory performance. As a special procurement class, these procurements could be made by direct appointment or by any other method of the General Manager's choosing.
7. **Changed definitions to create more distinction between personal services, professional services, and public improvements.** Updates include removing the term "professional services" and replacing with the term "architecture and engineering services." This change in term is intended to more clearly describe the type of contracts that constitute what used to be called professional services and create more of a distinction with "personal services."
8. **Clarified Requests for Proposals vs. Requests for Qualifications.** Updates include definitions for these terms and explain when an RFP versus an RFQ should be used.
9. **Revised process and criteria for intermediate procurements:**
  - a. Added criterion to specifically consider OLWS's experience with the proposed contractor in prior contracts with OLWS.
  - b. Clarified timing of the public notice requirement.

- 10. Incorporated procedure for certain public improvement contracts.** Added in the public improvement section that OLWS may use direct appointment for engineering of public improvements if the total contract value is anticipated to be less than \$100,000. This was already a procedure available to OLWS but is not identified specifically in the current Procurement Rules.
- 11. Added general rules of construction.** Included, as a general comment, that the sole source public contracting method should only be considered if the default is unavailable, or is impractical for a particular contract need.
- 12. Revised Qualitative Rehabilitation Facility section.** Updated with new terms used by the State, and included examples of the routine services that OLWS contracts for that must be made through the Oregon Forward program.
- 13. Included additional guidance for contracting with disadvantaged business enterprises, minority-owned businesses, women-owned businesses, emerging small businesses, and businesses that service-disabled veterans own (jointly, “DBE”).** The updates allow OLWS to provide more opportunities for these vendors, and clarifies that OLWS will be using the State COBID directory to identify vendors within this category.
- 14. Added new sections on amending existing public contracts.** Changes were made to the small, intermediate, and large procurement sections to establish parameters for amending those contracts without needing to undertake a new procurement.

### **Past Board Actions**

November 2018 – Adoption of current Procurement Rules

March 2023 – Discussion of proposed updates to Procurement Rules

### **Concurrence**

Staff have consulted with OLWS’s legal counsel in the preparation of this staff report and in the preparation of the proposed resolution and update to the Procurement Rules.

### **Recommendation**

Staff recommends the Board adopt, by resolution, the Procurement Rules that accompany this staff report.

### **Alternatives to Recommendation**

The Board may direct additional changes to be made before adoption; or defer discussion and/or action to a future meeting.

### **Suggested Board Motion**

*"I move to adopt Resolution No. 2023-0015 Adopting Updated Public Contracting and Purchasing Rules and Superseding and Replacing Resolution 18-15.*

### **Attachments**

1. Proposed Contracting & Purchasing Rules (Dated April 2023).
2. Resolution No. 2023-0015 *Adopting Updated Public Contracting and Purchasing Rules and Superseding and Replacing Resolution 18-15.*



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# **Contracting & Purchasing Rules**

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**April 2023**



**Oak Lodge Water Services Authority  
Contracting & Purchasing Rules**

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# Contracting & Purchasing Rules

## I. Introduction.

- A. Purpose of Rules.** These Contracting and Purchasing Rules (the “Procurement Rules”) are adopted by the Oak Lodge Water Services Authority Board of Directors (the “OLWS Board”), the governing body of the Oak Lodge Water Services Authority (“OLWS”), to establish the rules and procedures for contracts entered into and purchases made by OLWS. OLWS’s General Manager is responsible for ensuring that the Procurement Rules are followed. It is the policy of the OLWS Board, in adopting the Procurement Rules, to utilize public contracting and purchasing practices and methods that maximize the efficient use of OLWS resources and the purchasing power of OLWS funds by:
1. Promoting impartial and open competition;
  2. Using solicitation materials that are complete and contain a clear statement of contract specifications and requirements; and
  3. Taking full advantage of evolving procurement methods that suit the purchasing needs of OLWS as they emerge within various industries.
- B. Interpretation of Rules.** Except as specifically provided in the Procurement Rules, public contracts and purchases shall be awarded, administered, and governed according to ORS Chapters 279A, 279B, and 279C (the “Public Contracting Code”) and the Attorney General’s Model Public Contract Rules (the “Model Rules”), as may be amended from time to time.
1. It is OLWS’s intent that the Procurement Rules be interpreted to authorize the full use of all contracting and purchasing powers described in ORS Chapters 279A, 279B, and 279C.
  2. The Model Rules adopted under ORS 279A.065 shall apply to the contracts and purchases of OLWS to the extent that they do not conflict with the Procurement Rules or other rules and regulations adopted by OLWS.
  3. In the event of a conflict between any provisions of the Procurement Rules and the Model Rules, the provisions of the Procurement Rules shall prevail.
  4. In the event of a conflict between one or more provisions of the Procurement Rules, the General Manager shall have the authority to interpret the Procurement Rules consistent with the purposes of the objective set forth above in subsection A to resolve the conflict.
- C. Specific Provisions’ Precedence over General Provisions.** In the event of a conflict between the provisions of the Procurement Rules, the more specific provision shall take precedence over the more general provision.
- D. Conflict with Federal Statutes and Regulations.** Except as otherwise expressly provided in ORS Chapters 279A, 279B, or 279C, applicable federal statutes and regulations shall govern when federal funds are involved.

- II. Definitions.** Unless a different definition is specifically provided herein, or the context clearly requires otherwise, the following terms have the meanings set forth herein. Additionally, any term defined in the singular includes the meaning of the plural, and vice versa.
- A. Authority.** The Oak Lodge Water Services Authority.
  - B. Administering agency.** A contracting agency other than OLWS that solicited and established the original contract in a cooperative procurement for goods, services, personal services, A&E services, or public improvements.
  - C. Affected person.** A person whose ability to participate in a procurement is adversely impaired by an OLWS decision.
  - D. Architectural, engineering, and related services (A&E services).** A&E services are professional services performed by an architect, engineer, or land surveyor that includes architectural, engineering, or land surveying services, separately or any combination thereof. A&E services also includes photogrammetric and transportation planning services (or any combination thereof) provided by a consultant. A&E services also includes the following services, if related to the planning, design, engineering, or oversight of public improvement projects or components of public improvement projects: landscape architectural services; facilities planning services; energy planning services; space planning services; environmental impact studies; hazardous substances or hazardous waste or toxic substances testing services; wetland delineation studies; wetland mitigation services; Native American studies; historical research services; endangered species studies; rare plant studies; biological services; archaeological services; cost estimating services; appraising services; material testing services; mechanical system balancing services; commissioning services; project management services; construction management services and owner's representatives service; and/or land use planning services.
  - E. Award.** The decision to enter into a contract or purchase order with a specific offeror or proposer.
  - F. Bid.** A response to an invitation to bid.
  - G. Bidder.** A person who submits a bid in response to an invitation to bid.
  - H. Bid security.** A form of security submitted or posted by a bidder as a monetary guarantee that, if selected, the bidder will accept the award of the contract under the terms of the bid. Bid security is either returned, forfeited, or exchanged for a different form of guarantee. The form of bid security may be: a surety bond signed by the surety, a signed irrevocable letter of credit issued by an insured institution as the term is defined in ORS 706.008(11), a cashier's check, or other adequate form of security as determined by the General Manager.
  - I. Business with which an OLWS employee is associated.** Any business in which an OLWS employee is a director, officer, owner, or employee, or any corporation in which an OLWS employee owns or has owned ten percent (10%) or more of any class of stock at any point in the preceding calendar year.

- J. Closing.** The date and time announced in a solicitation document as the deadline for submitting bids or offers.
- K. COBID-Certified Business.** A business that has been certified by the Oregon Office for Business Inclusion and Diversity (COBID) as a disadvantaged business enterprise, minority-owned business, women-owned business, service-disabled veteran business enterprise, or emerging small business which are identified on the COBID-certified vendor directory as being currently certified and approved to be used for contracting opportunities.
- L. Contract or Public Contract.** A purchase, lease, rental, or other acquisition, by OLWS of personal property, goods, or services, including personal services, A&E services, public improvements, public works, minor alterations, or ordinary repair or maintenance necessary to preserve a public improvement. A public contract does not include grants; acquisitions or disposals of interests in real property; intergovernmental agreements, contracts made through the Oregon Forward Program pursuant to ORS 279.835 to 279.855; or any other exemption from the Public Contracting Code under ORS 279A.025(2). Renewals and amendments to contracts shall not be considered a new public contract if renewed or amended in accordance with the terms of the contract that is being renewed or amended.
- M. Contractor.** The person who enters into a contract with OLWS.
- N. Contract price.** As the context requires:
1. The maximum payment that OLWS will make under a contract if the contractor fully performs under the contract, including bonuses, incentives and contingency amounts;
  2. The maximum not-to-exceed payment specified in the contract; or
  3. The unit prices set forth in the contract.
- O. Contracting agency.** A public body authorized by law to conduct a procurement.
- P. Cooperative procurement.** A procurement conducted by, or on behalf of, one or more contracting agencies.
- Q. Days.** Calendar days.
- R. Emergency.** Involves circumstances that:
1. Could not have been reasonably foreseen;
  2. Create a substantial risk of loss, damage, or interruption of services, or a substantial threat to property, public health, welfare, or safety; and
  3. Require prompt execution of a contract or amendment in order to remedy the substantial risks and threats.
- S. Findings.** The justification for a conclusion. If the justification relates to a public improvement contract, findings may be based on information that include, but is not limited to:
1. Operational, budget, and financial data;

2. Public benefits;
3. Value engineering;
4. Specialized expertise;
5. Market conditions;
6. Technical complexity; and
7. Funding sources.

- T. General Manager.** The OLWS General Manager or the person designated as the acting General Manager in the General Manager's absence.
- U. Goods or services.** Supplies, equipment, materials, and services, other than personal services, and any personal property, including any tangible, intangible, and intellectual property and rights and licenses in relation thereto. The term includes good or services, goods and services, and combinations of any of the items identified in this definition.
- V. Grant.** An agreement under which:
1. OLWS receives money, property, or other assistance, including but not limited to, federal assistance that is characterized as a grant by federal law or regulation, loans, loan guarantees, credit enhancements, gifts, bequests, commodities, or other assets;
    - a. The assistance received by OLWS is from a grantor for the purpose of supporting or stimulating a program or activity of OLWS; and
    - b. No substantial involvement by the grantor is anticipated in the program or activity other than involvement associated with monitoring compliance with grant conditions; or
  2. OLWS provides money, property, or other assistance, including but not limited to, federal assistance that is characterized as a grant by federal law or regulation, loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets;
    - a. The assistance is given to the recipient for the purpose of supporting or stimulating a program or activity of the recipient; and
    - b. No substantial involvement by OLWS is anticipated in the program or activity other than involvement associated with monitoring compliance with grant conditions, unless otherwise provided for in an agreement related to the grant.
- W. Invitation to bid.** A solicitation document issued by OLWS to request bidders to submit bids on a particular project for a specific product or service requested which includes detailed specifications or standards for the product or service.
- X. Immediate family member.** An employee's: spouse, and parents thereof; children, and spouses thereof; parents, and spouses thereof; siblings, and spouses thereof; grandparents and grandchildren, and spouses thereof; and domestic

partner, and parents thereof.

- Y. Minority, Women, Service-Disabled Veteran, and Emerging Small Business Enterprise.** An enterprise or business that is certified by the State of Oregon's Certification Office for Business Inclusion and Diversity in the Oregon Business Development Department as a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns, and/or an emerging small business.
- Z. Nonresident bidder.** A bidder that is not a resident bidder.
- AA. Offer.** A bid, proposal, quote, or other response to a solicitation document.
- BB. Offeror.** A person who submits an offer.
- CC. OLWS.** The Oak Lodge Water Services Authority, a joint water and sanitary authority, and a contracting and purchasing agency.
- DD. Opening.** The date, time, and place announced in the solicitation document for the public opening of written sealed offers.
- EE. Oregon Forward Program.** A state-run purchasing program administered by the Oregon Department of Administrative Services that promotes meaningful job opportunities for adults living with disabilities.
- FF. Original contract.** The initial contract or price agreement solicited and awarded during a cooperative procurement by an administering agency.
- GG. Purchasing agency.** An agency that procures goods or services, personal services, or public improvements from a contractor based on the original contract established by an administering agency in a cooperative procurement.
- HH. Person.** An individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, governmental agency, public body, public corporation, or other legal or commercial entity, and any other person or entity with legal capacity to contract.
- II. Personal services.** Services that require specialized skill, knowledge, and resources in the application of technical or scientific expertise or in the exercise of professional, artistic, or management discretion or judgment. Personal services include those services designated as personal services under this definition, and such contracts and services as may be designated by the General Manager as personal services from time to time. Qualifications, performance history, expertise, creativity, and the ability to exercise sound professional judgment are typically the primary considerations when selecting a personal services contractor, with price being secondary. Personal services do not include A&E services. Personal services include the services of:
  - a. An accountant, attorney, auditor, court reporter, information technology consultant, or physician;
  - b. Expert witnesses or consultants to provide testimony or other consultation relating to existing or potential litigation or legal matters in which OLWS is or may become interested;



- c. Artists in the performing or fine arts, including a photographer, filmmaker, actor, director, painter, weaver, or sculptor;
  - d. Contracts for services that are specialized, creative, or research-oriented; and
  - e. Contracts for services as a consultant, other than an A&E services consultant.
- JJ. Price agreement.** A contract for the procurement of goods or services at a set price which has:
- 1. No guarantee of a minimum or maximum purchase; or
  - 2. An initial order or minimum purchase combined with a continuing contractor obligation to provide goods or services with no guarantee of any minimum or maximum additional purchase.
- KK. Procurement.** The act of purchasing, leasing, renting, or otherwise acquiring goods or services, personal services, or A&E services. It includes each function and procedure undertaken or required to be undertaken to enter into a contract, administer a contract and obtain the performance of a contract for goods or services, personal services, or A&E services.
- LL. Proposal.** A response to a request for proposals.
- MM. Proposer.** A person that submits a proposal in response to a request for proposals.
- NN. Proposer security.** A form of security submitted or posted by a proposer as a monetary guarantee that, if selected, the proposer will accept the award of the contract under the terms of the proposal. Proposer security is either returned, forfeited, or exchanged for a different form of guarantee. The form of proposer security may be: a surety bond signed by the surety, a signed irrevocable letter of credit issued by an insured institution as the term is defined in ORS 706.008(11), a cashier's check, or other adequate form of security as determined by the General Manager.
- OO. Provider.** As the context requires, a supplier of goods or services, personal services, or A&E services.
- PP. Public contract.** See Contract.
- QQ. Public contracting.** Procurement activities relating to obtaining, modifying, or administering contracts or price agreements.
- RR. Public improvement.** A project for construction, reconstruction, or major renovation on real property, by or for OLWS. A public improvement does not include projects for which no funds of OLWS are directly or indirectly used, except for participation that is incidental or related primarily to project design or inspection; or emergency work, minor alteration, or ordinary repair or maintenance necessary to preserve a public improvement.
- SS. Public improvement contract.** A contract for a public improvement. A public improvement contract does not include a contract for emergency work, minor

alterations, or ordinary repair or maintenance necessary to maintain a public improvement.

- TT. Recycled product.** All materials, goods and supplies, not less than fifty percent (50%) of the total weight of which consists of secondary and post-consumer waste with not less than ten percent (10%) of its total weight consisting of post-consumer waste. It includes any product that could have been disposed of as solid waste, having completed its life cycle as a consumer item, but otherwise is refurbished for reuse without substantial alteration of the product's form.
- UU. Related services.** Personal services, other than architectural, engineering, and land survey services, that are related to the planning, design, engineering, or oversight of public improvement projects or components thereof, including but not limited to: landscape architectural services; facilities planning services; energy planning services; space planning services; environmental impact studies; hazardous substances or hazardous waste or toxic substances testing services; wetland delineation studies; wetland mitigation services; Native American studies; historical research services; endangered species studies; rare plant studies; biological services; archaeological services; cost estimating services; appraising services; material testing services; mechanical system balancing services; commissioning services; project management services; construction management services and owner's representatives service; and/or land use planning services.
- VV. Request for proposals.** A solicitation document used for soliciting proposals.
- WW. Request for qualifications.** A solicitation document issued by OLWS describing particular services to which potential contractors may respond with a description of their experience and qualifications to perform the services. A request for qualifications results in a list of potential contractors who are qualified to perform the services. OLWS may then request proposals from the list of qualified potential contractors, or may enter into a contract directly with one or more of the potential contractors on the list. .
- XX. Resident bidder.** A bidder that has paid unemployment taxes or income taxes in Oregon during the 12 calendar months immediately preceding submission of the bid, has a business address in Oregon, and has stated in the bid that the bidder is a resident bidder.
- YY. Revenue generating agreements.** Contracts or agreements for services that generate revenue and that are typically awarded to the offeror proposing the most advantageous or highest monetary return.
- ZZ. Scope.** The range and attributes of the goods or services described in a procurement document.
- AAA. Signed or signature.** Any mark, word, or symbol attached to or logically associated with a document and executed or adopted by a person with the authority and intent to be bound.
- BBB. Solicitation.** As the context requires:

1. A request for the purpose of soliciting offers, including an invitation to bid, a request for proposal, a request for quotation, a request for qualifications, or other similar documents;
2. The process of notifying prospective offerors of a request for offers; and/or
3. The solicitation document.

**CCC. Work.** The furnishing of all materials, equipment, labor, and incidentals necessary to successfully complete any individual item in a contract, and the successful completion of all duties and obligations imposed by the contract.

**DDD. Written or in writing.** Conventional paper documents, whether handwritten, typewritten, or printed, including electronic transmissions or facsimile documents when required by applicable law or permitted by a solicitation document or contract.

## **II. Authority.**

**A. OLWS Board as Local Contract Review Board.** OLWS Board is designated as the local contract review board of OLWS and has all of the rights, powers, and authority necessary to carry out the provisions of the Procurement Rules, the Public Contracting Code, and/or the Model Rules.

**B. Application of Attorney General's Model Rules of Procedure.** Pursuant to ORS 279A.065(6), OLWS has elected to establish its own rules and policy for public contracting and purchasing. Except as provided herein, the Model Rules do not apply to OLWS.

**C. Inapplicability of Contracting and Purchasing Rules.** The Procurement Rules do not apply to the following:

1. Contracts or agreements to which the Public Contracting Code does not apply;
2. Contracts, intergovernmental, and interstate agreements entered into pursuant to ORS Chapter 190;
3. Grants;
4. Acquisitions or disposals of real property or interests in real property;
5. Procurements from an Oregon Corrections Enterprise program;
6. Contracts, agreements, or other documents entered into, issued, or established in connection with:
  - a. The incurring of debt, including any associated contracts, agreements, or other documents, regardless of whether the obligations that the contracts, agreements, or other documents establish are general, special, or limited;
  - b. The making of program loans and similar extensions or advance of funds, aid, or assistance by OLWS to a public or private person for the purpose of carrying out, promoting, or sustaining activities or programs authorized by law other than for the construction of public works or public improvements;

- c. The investment of funds by OLWS as authorized by law; or
  - d. Banking, money management, or other predominantly financial transactions that, by their character, cannot practically be established under the competitive contractor selection procedures, based upon the findings of the General Manager.
7. Contracts for employee benefit plans;
  8. Contracts with newspapers and other publications for the placement of advertisements or public notices;
  9. Contracts for items where the price is regulated and available from a single source or limited number of sources;
  10. Insurance contracts;
  11. Revenue-generating agreements;
  12. Federal agreements where applicable federal statutes and regulations govern when federal funds are involved and the federal statutes or regulations conflict with any provision of the Oregon Public Contracting Code or the Procurement Rules or require additional conditions in public contracts not authorized by the Oregon Public Contracting Code or the Procurement Rules.
  13. **Authority of General Manager.** The General Manager is the purchasing agent for OLWS. For contracts, purchases, and proceedings covered by the Procurement Rules, the General Manager is authorized to advertise for bids and proposals; respond to all protests filed under these Procurement Rules; and negotiate, award, and execute contracts, amendments, and addenda, consistently with the Procurement Rules and as authorized by the OLWS Board.
- D. Favorable Terms.** Contracts and purchases shall be negotiated on the most favorable terms for OLWS, in accordance with the Procurement Rules, other adopted ordinances, state and federal laws, policies, and procedures.
- E. Unauthorized Contracts or Purchases.** Unauthorized public contracts entered into or purchases made without valid authorization shall be voidable at the sole discretion of OLWS.
1. OLWS may take appropriate action in response to the execution of unauthorized contracts or purchases.
  2. Such appropriate actions include, but are not limited to, providing educational guidance, imposing disciplinary measures, and/or holding individuals personally liable for such contracts or purchases.
- F. Limit on Purchases from OLWS Employees or Employees' Immediate Family.** No contract shall be entered into with or purchase made from any OLWS employee or employee's immediate family member, or any business with which the employee or employee's immediate family member is associated, unless:
1. The contract or purchase is expressly authorized and approved by OLWS

Board; or

2. The need for the contract or purchase occurs during a state of emergency, and the General Manager finds, in writing, that the acquisition from the employee, employee's immediate family member, or business with which the employee or employee's immediate family member is associated is the most expeditious means to eliminate the threat to public health, safety, and welfare.

### III. Preferences.

- A. Tie Breaker Preference (mandatory resident preference).** If OLWS receives offers that are identical in price, fitness, availability, and quality, and OLWS chooses to award a contract, the preferences provided in ORS 279A.120 shall be applied prior to the contract award based on the following order of precedence:
1. OLWS shall award the contract to the offeror who is offering goods, services, personal services, or any combination thereof, that are manufactured, produced, or to be performed in Oregon.
  2. If two or more offers are for goods, services, or personal services that are manufactured, produced, or to be performed in Oregon, OLWS shall award the contract by drawing lots among the identical resident offers. OLWS shall provide such identical resident offerors notice of the date, time, and location of the drawing of lots, and an opportunity for those offerors to be present when the lots are drawn.
  3. If none of the offers are for goods, services, or personal services that are manufactured, produced, or to be performed in Oregon, OLWS shall award the contract by drawing lots among the identical non-resident offers. OLWS shall provide such identical non-resident offerors notice of the date, time, and location of the drawing of lots, and an opportunity for those offerors to be present when the lots are drawn.
  4. **Determining if offers are identical in price, fitness, availability, and quality for purposes of applying a Tie Breaker Preference.**
    - Bids are identical if the bids are responsive and offer the goods or services or personal services described in the Invitation to Bid at the same price.
    - Proposals are identical if the proposals are responsive and achieve equal scores when scored according to the evaluation criteria set forth in the Request for Proposals.
    - Offers received in response to a Special Procurement under ORS 279B.085 are identical if, after completing the contracting procedure, OLWS determines, in writing, that two or more offers are equally advantageous to OLWS.
    - Offers received in response to an Intermediate Procurement under ORS 279B.070 are identical if the offers equally best serve the interests of OLWS, taking into account considerations including but

not limited to: price, experience, expertise, product functionality, suitability for a particular purpose, and contractor responsibility under ORS 279B.110.

- B. Reciprocal Preference (mandatory resident preference).** Reciprocal preferences under ORS 279A.120, if applicable, must be given when evaluating bids. OLWS shall add a percent increase to the bid of a nonresident bidder equal to the percent of the preference given to the bidder in the state in which the bidder resides. In determining whether the nonresident bidder's state gives preference to in-state bidders, and the amount of preference that is given to in-state bidders, if any, OLWS may rely on the list of reciprocal preferences prepared and maintained by the Oregon Department of Administrative Services.
- C. Discretionary Local Preference (optional local preference).** If the solicitation is in writing and the procurement is not excluded under this Section IV (C)(3), the General Manager may provide a specified percentage preference of not more than ten percent (10%) for goods fabricated or processed entirely in Oregon or services performed entirely in Oregon. In the event the General Manager determines that such a preference will be applied, the application and amount of the preference must be identified in writing in the solicitation document.
1. When a preference is provided and more than one offeror qualifies for the preference, the General Manager may give further preference to a qualifying offeror that resides in or is headquartered in Oregon.
  2. The General Manager may establish a preference percentage of ten percent (10%) or higher if the General Manager makes a written determination that good cause exists to establish the higher percentage, explains the reasons, and provides evidence for finding good cause to establish a higher percentage.
  3. **Discretionary local preference unavailable for certain procurements.** The discretionary preference described in this Section IV (C) may not be applied to a contract for emergency work, minor alterations, ordinary repairs or maintenance of public improvements, or to any other construction contract that is not defined as a public improvement under ORS 279A.010.
- D. Preference for Recycled Materials and Supplies.** Preferences for recycled goods shall be given when comparing goods, if applicable under ORS 279A.125. The General Manager shall make a written determination for whether the goods are manufactured from recycled materials and the criteria used in making such determination. Preference shall be given if:
1. The recycled product is available
  2. The recycled product meets applicable standards
  3. The recycled product can be substituted for a comparable nonrecycled product; and
  4. The costs of the recycled product do not exceed the costs of comparable nonrecycled products by more than five percent, or a higher percentage if the General Manager makes a written determination justifying a

higher percentage.

- E. Opportunities for Disadvantaged Business Enterprises, Minority-Owned Businesses, Women-Owned Businesses, Businesses that Service-Disabled Veterans Own, and Emerging Small Businesses..** OLWS aspires to provide public contracting opportunities for disadvantaged business enterprises, minority-owned businesses, women-owned businesses, businesses that service-disabled veterans own, and emerging small businesses. To this end:
1. Where direct appointment is available, the General Manager (or designee) is strongly encouraged to review the COBID vendor directory to determine whether there are COBID-certified contractors in the category of work to be solicited, before awarding a contract.
  2. Where a procurement is made using informal quote-seeking or intermediate procurement procedures, the General Manager (or designee) is strongly encouraged to review the COBID vendor directory to determine whether there are COBID-certified contractors in the category of work to be solicited, before requesting quotes or proposals.
  3. OLWS may, in solicitation documents, require that some portion of the work be performed, or some portion of the materials be provided, by a COBID-certified business. OLWS may establish other contract requirements as authorized by ORS 279A.107.

#### **IV. General Provisions.**

- A. Public Notice.** Unless otherwise specifically provided by the Procurement Rules, any notice required to be published by the Procurement Rules may be published using any method the General Manager deems appropriate, including but not limited to: mailing notice to persons that have requested notice in writing, placing notice on OLWS's website, placing notice through an electronic procurement system, or publishing in statewide trade or local publications.
- B. Procedure for Competitive Verbal Quotes and Proposals.** Where allowed by the Procurement Rules, solicitations by competitive quotes and proposals shall be based on a description of the quantity of goods or services to be provided, and may be solicited and received by phone, facsimile, or email, as authorized by the General Manager.
1. A good faith effort shall be made to contact at least three (3) potential providers.
  2. If three (3) potential providers are not reasonably available, fewer shall suffice, but the General Manager shall keep a written record of the efforts made to obtain three potential providers as part of the procurement file.
- C. Procedure for Informal Written Solicitation.** Where allowed by the Procurement Rules, informal written solicitations shall be made by a solicitation document sent to not fewer than three (3) prospective providers.
1. The solicitation document shall request competitive price quotes or competitive proposals, and shall include:

- a. The date, time, and place that price quotes or proposals are due;
  - b. A description or quantity of the good or service required;
  - c. A statement of the time period for which price quotes or proposals must remain firm, irrevocable, valid, and binding on the offeror. If no time is stated in the solicitation document, the period shall be thirty (30) days;
  - d. Any required contract terms or conditions; and
  - e. Any required bid form or proposed format.
2. Price quotes or proposals shall be received by the General Manager at the date, time, and place established in the solicitation document.
    - a. The General Manager shall keep a written record of the sources of the quotes or proposals.
    - b. If three (3) quotes or proposals are not reasonably available, fewer shall suffice, but the General Manager shall keep a written record of the efforts made to obtain quotes or proposals as part of the procurement file.

**D. Procedure for Competitive Sealed Bidding.**

1. OLWS shall issue an invitation to bid, which must include the following information:
  - a. Time and date by which the bids must be received, and a place where the bids must be submitted. OLWS may receive bids by electronic means or direct or permit a bidder to submit bids by electronic means.
  - b. Name and title of the person designated to receive bids and the contact person for the procurement, if different.
  - c. Description of the procurement, which must: identify the scope of work, outline the contractor's anticipated duties, set expectations for the contractor's performance, and include all contractual terms and conditions applicable to the procurement.
  - d. Time, date, and place for prequalification applications, if any, to be filed, and the classes of work, if any, for which bidders must be requalified under ORS 279B.120.
  - e. All criteria to be used in evaluating the bids.
  - f. Additional statements as required by ORS 279B.055.
2. The invitation to bid may additionally include the following information:
  - a. Criteria to determine minimum acceptability, such as inspection, testing, quality, and suitability for intended use or purpose.
  - b. Criteria that will affect the bid price and that will be considered in evaluating for award, including but not limited to: discounts, transportation costs. Total costs of ownership or operation of a product



over the life of the product must be objectively measurable if included.

3. Bid security. OLWS may require bid security if the General Manager determines that bid security is reasonably necessary or prudent to protect the interests of OLWS.
4. Public notice. A public notice may be provided in any manner deemed reasonably prudent considering the nature of the procurement. Public notice may be published on OLWS's website, through an electronic procurement system, in a newspaper of general circulation in the area where the contract is to be performed, and/or in any other publications as the General Manager may determine. Notwithstanding the foregoing, for construction contracts over \$125,000, OLWS shall publish at least once in a newspaper of general circulation in the area where the contract is to be performed, in addition to whatever other publications the General Manager may deem appropriate.
5. Evaluation of bids. OLWS shall evaluate all bids received before the time and date indicated for bid opening. OLWS may not consider for award any bids received after the time and date indicated for bid opening. All applicable preferences shall be applied in evaluating the bids. Bids shall be evaluated on the requirements and criteria set forth in the invitation to bid. No criteria may be used in the evaluation that were not set forth in the invitation to bid.
6. Notice of intent to award. At least 7 calendar days before the award, OLWS shall provide written notice of its intent to award a contract to all bidders. If the General Manager determines that circumstances justify prompt execution of the contract, a shorter notice period may be established, provided that the specific reasons for the shorter notice period are documented in the procurement file.
7. Finality. OLWS's award shall not be final until the later of either: the expiration of the protest period following the notice of intent to award pursuant to OAR 137-047-0740, or after OLWS provides written responses to all timely-filed protests denying the protests and affirming the award.

**E. Procedure for Competitive Sealed Proposals.**

1. OLWS shall solicit a request for proposals, which must include the following information:
  - a. Time and date by which sealed proposals must be received, and a place where the proposals must be submitted. OLWS may receive proposals by electronic means or may direct or permit proposers to submit proposals by hard copy.
  - b. Name and title of the person designated to receive proposals and the contact person for the procurement, if different.
  - c. Description of the procurement, which must: identify the scope of work, outline the contractor's anticipated duties, set expectations for the contractor's performance, and include all contractual terms and conditions applicable to the procurement.

- d. Time, date, and place for prequalification applications, if any, to be filed, and the classes of work, if any, for which proposers must be requalified under ORS 279B.120.
  - e. Description of the methods by which OLWS will make the results of each tier of competitive evaluation available to the proposers who competed in that tier.
  - f. Description of the manner in which the proposers who are eliminated from further competition may protest OLWS's decision.
  - g. Additional statements as required by ORS 279B.055.
2. The request for proposals may additionally include the following information:
    - a. Contractual terms or conditions that OLWS reserves for negotiation with proposers.
    - b. Request that proposers propose contractual terms and conditions that relate to the subject matter reasonably identified in the request for proposals.
    - c. The form or content of the written contract that OLWS will accept.
    - d. The method OLWS will use to select the contractor, which may include but is not limited to: negotiating with the highest ranked proposer, competitive negotiations, a multiple-tiered competition that is designed to identify a class of proposers that fall within a competitive range or to otherwise eliminate from consideration a class of lower ranked proposers.
    - e. The manner in which OLWS will evaluate proposals, identifying the relative important of price and other factors OLWS will use to evaluate and rate the proposals in the first tier of competition. If OLWS uses more than one tier of competitive evaluation, the request for proposals must describe the process OLWS will use to evaluate proposals in the subsequent tiers.
  3. Proposer security. OLWS may require proposer security if the General Manager determines that proposer security is reasonably necessary or prudent to protect the interests of OLWS. The form of security shall be as determined by the General Manager.
  4. Public notice. A public notice may be provided in any manner deemed reasonably prudent considering the nature of the procurement. Public notice may be published on OLWS's website, through an electronic procurement system, in a newspaper of general circulation in the area where the contract is to be performed, and/or in any other publications as the General Manager may determine. Notwithstanding the foregoing, for construction contracts over \$125,000, OLWS shall publish at least once in a newspaper of general circulation in the area where the contract is to be performed, in addition to whatever other publications the General Manager may deem appropriate.

5. Evaluation of proposals. OLWS may select the contractor using the method provided for in the request for proposals, including but not limited to: an award based solely on the rankings of proposals; discussions leading to best and final offers; serial negotiations beginning with the highest ranked proposer; competitive simultaneous negotiations; multiple-tiered competitions; multi-step requests for proposals beginning with first unpriced submittals; or a combination of methods or any other authorized method. All applicable preferences shall be applied in evaluating proposals. If OLWS awards a contract, OLWS shall award the contract to the responsible proposer whose proposal OLWS determines in writing is the most advantageous to OLWS, based on the evaluation process and factors described in the request for proposals, applicable preferences, and the outcome of any negotiations where applicable. Other factors may not be used in the evaluation.
6. Application of public records to proposals. OLWS may open proposals in a manner to avoid disclosing contents to competing proposers during the process of negotiation, when applicable; however, OLWS shall record and make available the identity of all proposers as part of OLWS's public records after the proposals are opened. Proposals are not required to be open for public inspection until after the notice of intent to award is issued, even when opened at a public meeting.
7. Notice of intent to award. At least 7 calendar days before the award, OLWS shall provide written notice of its intent to award a contract to each proposer who was evaluated in the final competitive tier. If the General Manager determines that circumstances justify prompt execution of the contract, a shorter notice period may be established, provided that the specific reasons for the shorter notice period are documented in the procurement file.
8. Finality. OLWS's award shall not be final until the later of either: the expiration of the protest period pursuant to OAR 137-047-0740, or as set forth in the notice of intent to award if different, or after OLWS provides written responses to all timely-filed protests denying the protests and affirming the award.

**F. Retroactive Approval.** Retroactive approval of a contract means the award or execution of a contract where work was commenced without final award or execution. The General Manager may make a retroactive approval of a contract only if the responsible employee submits a copy of the proposed contract to the General Manager, along with a written request for contract retroactive approval, that contains:

1. An explanation of the reason the work was commenced before the contract was awarded or executed;
2. A description of steps being taken to prevent similar occurrences in the future;
3. Evidence that, but for the failure to award or execute the contract, the employee complied with all other steps required to properly select a contractor and negotiate the contract; and

4. A proposed form of contract.

**V. Source Selection Methods for Goods or Services, Other Than Personal Services or A&E Services.**

**A. Small Procurements.** Contracts or purchases of goods or services with a contract price of \$10,000 or less are small procurements. Small procurements are not subject to competitive bidding requirements and no public notice is required.

1. For small procurements of goods or services, the General Manager may use any procurement method the General Manager deems practical or convenient, including direct negotiation or direct award.

2. Amendments.

a) A small procurement contract may be amended to exceed \$10,000 for any of the following circumstances:

- i. The amendment is within the scope of the procurement as described in the solicitation documents, if any. Or if there is no solicitation document, then as described in the sole source notice or the approved special procurement, if any. An amendment is not within the scope of the procurement if the General Manager (or designee) determines that if OLWS had described in the solicitation the changes to be made by the amendment, that it would have likely increased competition or otherwise affected the award of the contract.
- ii. The Procurement Rules otherwise permit the contract to be awarded without competition for the goods or services to be procured under the amendment.
- iii. The amendment is necessary to comply with a change in law that affects performance of the contract.
- iv. The amendment results from a renegotiation of the terms and conditions of the contract to be amended, including the contract price, and the amendment is advantageous to OLWS, subject to all of the following conditions: (1) The goods or services to be provided under the amended contract are the same as the goods or services to be provided under the unamended contract; and (2) The General Manager (or designee) determines that the amended contract is at least as favorable to OLWS as the unamended contract.

b) The cumulative amendments may not increase the total contract price to more than twenty-five percent (25%) of the original contract price, unless the General Manager determines that a higher amount is warranted.

**B. Intermediate Procurements.** Contracts for goods or services with a contract

price greater than \$10,000 and less than or equal to \$150,000 are intermediate procurements.

1. Intermediate procurements may be made by informal written solicitation.
2. Negotiations. The General Manager may negotiate with an offeror to clarify an informal written solicitation, or to make modifications that will make the quote, proposal, or solicitation acceptable or more advantageous to OLWS.
3. Award. If a contract is awarded, the award shall be made to the offeror whose competitive quote or proposal or informal written solicitation the General Manager determines will best serve the interests of OLWS, taking into account:
  - a) Price
  - b) Experience and expertise
  - c) Product functionality and suitability for a particular purpose
  - d) Contractor responsibility under ORS 279B.110 standards
  - e) OLWS's experience and satisfaction with the offeror in prior or current contracts
  - f) Any other relevant considerations
4. Amendments.
  - a) An intermediate procurement contract may be amended for any of the following circumstances:
    - i. The amendment is within the scope of the procurement as described in the solicitation documents, if any. Or if there is no solicitation document, then as described in the sole source notice or the approved special procurement, if any. An amendment is not within the scope of the procurement if the General Manager (or designee) determines that if OLWS had described in the solicitation the changes to be made by the amendment, that it would have likely increased competition or otherwise affected the award of the contract.
    - ii. The Procurement Rules otherwise permit the contract to be awarded without competition for the goods or services to be procured under the amendment.
    - iii. The amendment is necessary to comply with a change in law that affects performance of the contract.
    - iv. The amendment results from a renegotiation of the terms and conditions of the contract to be amended, including the contract price, and the amendment is advantageous to OLWS, subject to all of the following conditions: (1) The goods or services to be provided under the amended contract are the

same as the goods or services to be provided under the unamended contract; and (2) The General Manager (or designee) determines that the amended contract is at least as favorable to OLWS as the unamended contract.

- b) The cumulative amendments may not increase the total contract price to more than \$150,000 or one hundred, twenty-five percent (125%) of the original contract price (whichever is greater), unless the General Manager determines that a higher amount is warranted.

**C. Large Procurements.** Contracts for goods or services with a contract price greater than \$150,000 are large procurements.

1. The General Manager may use competitive sealed bidding as set forth in ORS 279B.055 and the Procurement Rules, or competitive sealed proposals as set forth in ORS 279B.060 and the Procurement Rules.
2. OLWS shall apply the applicable procedure set out in the Model Rules for processing protests of large procurements.
3. Amendments.
  - a) A large procurement contract may be amended for any of the following circumstances:
    - v. The amendment is within the scope of the procurement as described in the solicitation documents. An amendment is not within the scope of the procurement if the General Manager (or designee) determines that if OLWS had described in the solicitation the changes to be made by the amendment, that it would have likely increased competition or otherwise affected the award of the contract.
    - vi. The Procurement Rules otherwise permit the contract to be awarded without competition for the goods or services to be procured under the amendment.
    - vii. The amendment is necessary to comply with a change in law that affects performance of the contract.
  - b) The cumulative amendments may not increase the total contract price to more than twenty-five percent (25%) of the original contract price (whichever is greater), unless the General Manager determines that a higher amount is warranted, and that, had the contract price been increased in the solicitation, it would have likely increased competition or otherwise affected the award of the contract.

**VI. Personal Services Contracts.**

- A. Classification of Services as Personal Services.** In addition to the classes of personal services contracts identified in the definition of personal services contracts, the General Manager may classify additional specific types of services as personal services. In determining whether a service is a personal service, the

General Manager shall consider:

1. Whether the work requires specialized skills, knowledge, and resources in the application of technical or scientific expertise, or the exercise of professional, artistic, or management discretion or judgment;
2. Whether OLWS intends to rely on the contractor's specialized skills, knowledge, and expertise to accomplish the work; and
3. Whether selecting a contractor primarily on the basis of qualifications, rather than price, would most likely meet OLWS's needs and result in obtaining satisfactory contract performance and optimal value.
4. A service shall not be classified as personal services for the purposes of the Procurement Rules if:
  - a. The work has traditionally been performed by contractors selected primarily on the basis of price; or
  - b. The services do not require specialized skills, knowledge, and resources in the application of highly technical or scientific expertise, or the exercise of professional, artistic, or management discretion or judgment.

**B. Requests for Qualifications.** At the General Manager's discretion, a request for qualifications may be used to determine whether competition exists to perform the needed personal services or to establish a non-binding list of qualified contractors for individual negotiation, informal written solicitations, or requests for proposals.

1. A request for qualifications shall describe the particular type of personal services that will be sought, the qualifications the contractor must have to be considered, and the evaluation factors and their relative importance.
2. A request for qualifications may require information including, but not limited to:
  - a. The contractor's particular capability to perform the required personal services;
  - b. The number of experienced personnel available to perform the required personal services;
  - c. The specific qualifications and experience of personnel;
  - d. A list of similar personal services the contractor has completed;
  - e. References concerning past performance; and
  - f. Any other information the General Manager deems necessary to evaluate the contractor's qualifications.
3. A voluntary or mandatory qualifications pre-submission meeting may be held for all interested contractors to discuss the proposed personal services. The request for qualifications shall include the date, time, and location of the meeting.

4. Unless the responses to a request for qualifications establish that competition does not exist, the request for qualifications is canceled, or all responses to the request for qualifications are rejected, then all respondents who meet the qualifications set forth in the request for qualifications shall receive notice of any required personal services and have an opportunity to submit a proposal in response to request for proposals.

**C. Direct Appointment.** Personal services may be procured through direct negotiations and award if:

1. The estimated contract price does not exceed \$100,000 and the work is within a budgetary appropriation or approved by OLWS Board; or
2. The confidential personal services, including special counsel, or professional or expert witnesses or consultants, are necessary to assist with pending or threatened litigation or other legal matters in which OLWS may have an interest; or
3. The nature of the personal service is not project-driven but requires an ongoing, long-term relationship of knowledge and trust.
4. Amendments. Personal services contracts procured by direct negotiation pursuant to this section may be amended, provided the amendment is within the scope of the original contract and the cumulative amount of the amendments does not increase the total contract price by more than twenty-five percent (25%) over the original contract price; or the amendment is necessary to complete the work being performed and it would be unreasonable or impracticable to seek another provider within the time frames needed to complete the work.
5. Public Notice. No public notice of personal services contracts procured by direct negotiations is required.

**D. Solicitations.** Personal Services that do not qualify for direct appointment under subsection (C) may be procured through the same process OLWS is authorized to use for the procurement of A&E services.

## VII. A&E Services

**A. Direct Appointment.** OLWS may enter into a contract directly with a consultant providing A&E services without following the selection procedures set forth elsewhere in the Procurement Rules if:

1. OLWS finds that an Emergency exists; or
2. The total Estimated Fee to be paid under the Contract does not exceed \$100,000; or
3. Where a project is being continued, as more particularly described below, the A&E services to be performed under the contract meet the following requirements:



- a. The services consist of A&E services that have been substantially described, planned or otherwise previously studied in an earlier contract with the same consultant and are rendered for the same project as the A&E services rendered under the earlier contract;
  - b. The total estimated fee to be made under the Contract does not exceed \$250,000; and
  - c. OLWS used either a formal selection procedure at the time of original selection to select the consultant for the earlier contract; or
4. Where a project is being continued, as more particularly described below, and where the total estimated fee is expected to exceed \$250,000, the A&E services to be performed under the contract meet the following requirements:
- a. The services consist of or are related to A&E services that have been substantially described, planned or otherwise previously studied under an earlier contract with the same consultant and are rendered for the same project as the A&E services rendered under the earlier contract;
  - b. OLWS used a formal selection procedure applicable to selection of the consultant at the time of original selection to select the consultant for the earlier contract; and
  - c. OLWS makes written findings that entering into a contract with the consultant, whether in the form of an amendment to an existing contract or a separate contract for the additional scope of services, will:
    - i. Promote efficient use of public funds and resources and result in substantial cost savings to OLWS; and,
    - ii. Protect the integrity of the public contracting process and the competitive nature of the procurement by not encouraging favoritism or substantially diminishing competition in the award of the contract.
5. OLWS may select a consultant for a contract under this section of the Rules from the following sources:
- a. A list of consultants OLWS creates under OAR 137-048-0120 (List of Interested Consultants; Performance Record);
  - b. Another contracting agency's list of consultants that the contracting agency has created under OAR 137-048-0120 (List of Interested Consultants; Performance Record), with written consent of that contracting agency; or
  - c. All consultants offering the required A&E services that OLWS reasonably can identify under the circumstances.
6. OLWS shall direct negotiations with a consultant selected under this section of the Rules toward obtaining written agreement on:
- a. The consultant's performance obligations and performance schedule;
  - b. Payment methodology and a maximum amount payable to the

consultant for the A&E services required under the contract that is fair and reasonable to OLWS as determined solely by OLWS, taking into account the value, scope, complexity and nature of the A&E services; and

- c. Any other provisions OLWS believes to be in OLWS's best interest to negotiate.

**B. Informal Solicitations.** An informal written solicitation process may be used for A&E services when the contract price is less than \$250,000.

1. OLWS may use the informal selection procedure on the basis of qualifications alone, or, for related services, on the basis of price and qualifications, if OLWS:
  - a. Creates a request for proposals that includes at a minimum the following:
    - i. A description of the project for which a consultant's A&E services are needed and a description of the services that will be required under the resulting contract;
    - ii. The anticipated contract performance schedule;
    - iii. Conditions or limitations, if any, that may constrain or prohibit the selected consultant's ability to provide additional services related to the project, including construction services;
    - iv. The date and time proposals are due and other directions for submitting proposals;
    - v. Criteria upon which the most qualified consultant will be selected. Selection criteria may include, but are not limited to, the following:
      - The amount and type of resources and number of experienced staff the consultant has committed to perform the A&E services described in the request for proposals within the applicable time limits, including the current and projected workloads of such staff and the proportion of time such staff would have available for the A&E services;
      - Proposed management techniques for the A&E services described in the request for proposals;
      - A consultant's capability, experience and past performance history and record in providing similar A&E services, including but not limited to quality of work, ability to meet schedules, cost control methods and contract administration practices;
      - A consultant's approach to A&E services or described in the request for proposals and design philosophy, if applicable;
      - A Consultant's geographic proximity to and familiarity with the physical location of the project;

- Volume of work, if any, previously awarded to a consultant, with the objective of effecting equitable distribution of contracts among qualified consultants, provided such distribution does not violate the principle of selecting the most qualified consultant for the type of A&E services required;
  - A consultant's ownership status and employment practices regarding women, minorities, service-disabled veterans, emerging small businesses, or historically underutilized businesses;
  - If OLWS is selecting a consultant to provide related services, pricing policies and pricing proposals or other pricing information, including the number of hours proposed for the services required, expenses, hourly rates and overhead.
- vi. A statement that proposers do so solely at their expense, and OLWS is not responsible for any proposer expenses associated with the request for proposals;
  - vii. A statement directing proposers to the applicable protest procedures; and
  - viii. A sample form of the contract.
- b. Provides a request for proposals to a minimum of five (5) prospective consultants. If fewer than five (5) prospective consultants are available, OLWS shall provide the request for proposals to all available prospective consultants and shall maintain a written record of OLWS's efforts to locate available prospective consultants for the request for proposals. OLWS shall draw prospective consultants from:
    - i. OLWS's list of consultants that is created and maintained under OAR 137-048-0120 (List of Interested Consultants; Performance Record);
    - ii. Another contracting agency's list of consultants that is created and maintained under OAR 137-048-0120 (List of Interested Consultants; Performance Record); or
    - iii. All consultants that OLWS reasonably can locate that offer the desired A&E services.
  - c. Reviews and ranks all proposals received according to the criteria set forth in the request for proposals, and selects the three highest ranked proposers.
2. OLWS may use the informal selection procedure for related services on the basis of price proposals and other pricing information alone if OLWS:
    - a. Creates a request for proposals that includes at a minimum the following:

- i. A description of the project for which a consultant's Related services are needed and a description of the related services that will be required under the resulting contract;
  - ii. The anticipated contract performance schedule;
  - iii. Conditions or limitations, if any, that may constrain or prohibit the selected consultant's ability to provide additional services related to the project, including construction services;
  - iv. The date and time proposals are due and other directions for submitting proposals;
  - v. Any minimum or pass-fail qualifications that the proposers must meet, including but not limited to any such qualifications in the subject matter areas described in the Procurement Rules applicable to a request for proposals for A&E services that are related to the services described in the request for proposals;
  - vi. Pricing criteria upon which the highest ranked consultant will be selected. pricing criteria may include, but are not limited to, the total price for the related services described in the request for proposals, consultant pricing policies and other pricing information such as the consultant's estimated number of staff hours needed to perform the related services described in the request for proposals, expenses, hourly rates and overhead;
  - vii. A statement directing proposers to the applicable protest procedures; and
  - viii. A sample form of the Contract.
- b. Provides the request for proposals to a minimum of five (5) prospective consultants. If fewer than five (5) prospective consultants are available, OLWS shall provide the request for proposals to all available prospective consultants and shall maintain a written record of OLWS's efforts to locate available prospective consultants for the request for proposals. OLWS shall draw prospective Consultants from sources similar to the sources authorized for requests for proposals for A&E services
  - c. Reviews and ranks all responsive proposals received, according to the total price for the related services described in the request for proposals, consultant pricing policies and other pricing information requested in the request for proposals, including but not limited to the number of hours proposed for the related services required, expenses, hourly rates and overhead, and select the three highest-ranked proposers.
3. When the estimated fee in an informal selection procedure is expected not to exceed \$150,000, OLWS is only required to provide the request for proposals to three (3) prospective consultants. If fewer than three (3) prospective consultants are available, OLWS shall provide the request for proposals to all available prospective consultants and shall maintain a written record of

OLWS's efforts to locate available prospective consultants for the request for proposals.

4. If OLWS does not cancel a request for proposals after it reviews the proposals and ranks each proposer, OLWS will begin negotiating a contract with the highest ranked proposer. OLWS shall direct contract negotiations toward obtaining written agreement on the following:
  - a. The consultant's performance obligations and performance schedule;
  - b. Payment methodology and a maximum amount payable to the consultant for the A&E services required under the contract that is fair and reasonable to OLWS as determined solely by OLWS, taking into account the value, scope, complexity and nature of the A&E services; and
  - c. Any other provisions OLWS believes to be in OLWS's best interest to negotiate.
5. OLWS shall, either orally or in writing, formally terminate negotiations with the highest ranked proposer, if OLWS and the proposer are unable for any reason to reach agreement on a contract within a reasonable amount of time. OLWS may thereafter negotiate with the second ranked proposer, and if necessary, with the third ranked proposer, in accordance with this section of the Rules, until negotiations result in a contract. If negotiations with any of the top three proposers do not result in a contract within a reasonable amount of time, OLWS may end the particular informal solicitation and thereafter may proceed with a new informal solicitation under this section or proceed with a formal solicitation.
6. OLWS shall terminate the informal selection procedure and proceed with the formal selection procedure if the scope of the anticipated contract is revised during negotiations so that the estimated fee will exceed \$250,000.

- C. Formal Selection Procedure.** For contracts with consultants providing A&E services that do not qualify for direct appointment or the informal selection procedure, OLWS shall enter into the contract through the formal selection procedure set forth in OAR 137-048-0220.

## **VIII. Public Improvements.**

- A. OLWS may directly appoint a consultant for a public improvement, if the estimated cost of the A&E services for the project does not exceed \$100,000.
- B. For all other public improvement procurements, OLWS shall follow the procedures set forth in the Public Contracting Code for all contracts relating to construction services for the development of a public improvement.

## **IX. Alternative Source Selection Methods.**

- A. **Sole-Source Procurements.** A contract may be awarded as a sole-source procurement without competition pursuant to this section. The use of the

sole-source selection method should only be considered where the otherwise-applicable procurement method is unavailable or impractical.

1. Determination of Sole Source. Before a sole-source contract may be awarded, the General Manager shall make written findings that the goods or services, personal services, or A&E services are available from only one source, based on one or more of the following criteria:
  - a. The efficient use of existing goods or services, personal services, or A&E services requires the acquisition of compatible goods or services, personal services, or A&E services that are available from only one source;
  - b. The goods or services, personal services, or A&E services are available from only one source and required for the exchange of software or data with other public or private agencies;
  - c. The goods or services, personal services, or A&E services are available from only one source, and are needed for use in a pilot or an experimental project; or
  - d. Other facts or circumstances exist that support the conclusion that the goods or services, personal services, or A&E services are available from only one source.
2. Negotiations. To the extent reasonably practical, contract terms advantageous to OLWS shall be negotiated with the sole source provider.
3. Notice. The General Manager shall post notice of any determination that the sole source selection method will be used on OLWS's website not less than two (2) days prior to the date a sole source contract will be awarded. The notice shall describe the goods or services, personal services, or A&E services to be procured, identify the prospective contractor and include the date and time when, and place where, protests of the use of a sole source selection method must be filed.

**B. Special Procurements.** The OLWS Board, upon its own initiative, or upon request of the General Manager, may create special selection, evaluation, and award procedures for, or may exempt from competition, the award of a specific contract or class of contracts as provided in this section.

1. Basis for Approval. The approval of a special solicitation method or exemption from competition must be based upon a record before the OLWS Board that contains the following:
  - a. The nature of the contract or class of contracts for which the special solicitation or exemption is requested;
  - b. The estimated contract price or cost of the project, if relevant;
  - c. Findings to support the substantial cost savings, enhancement in quality or performance, or other public benefit anticipated by the proposed selection method or exemption from competitive solicitation;

- d. Findings to support the reason that approval of the request would be unlikely to encourage favoritism or diminish competition for the public contract or class of public contracts, or would otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the solicitation requirements that would otherwise be applicable under these regulations;
  - e. A description of the proposed alternative contracting methods to be employed; and
2. In making a determination regarding a special selection method, the OLWS Board may consider the type, cost, amount of the contract or class of contracts, number of persons available to make offers, and such other factors as it deems appropriate.
  3. Hearing. The OLWS Board may approve a special solicitation or exemption after a public hearing before the OLWS Board.
    - a. At the public hearing, OLWS shall offer an opportunity for any interested party to appear and present comment.
    - b. The OLWS Board shall consider the findings and may approve the exemption as proposed or as modified by the OLWS Board after providing an opportunity for public comment.

**C. Special Procurement Classes.** The following classes of contracts are special procurements that may be awarded in any manner that the General Manager deems appropriate for OLWS needs, including by direct appointment or direct purchase. Except where otherwise provided, the General Manager shall make a record of the method of award in the OLWS procurement files.

1. Copyrighted Materials; Library Materials. Contracts for the acquisition of materials entitled to copyright, including but not limited to, works of art and design, literature and music.
2. Equipment Repair. Contracts for equipment repair or overhauling, provided that the service or parts required are unknown or the cost cannot be determined without extensive preliminary dismantling or testing.
3. Government-Regulated Items. Contracts for the purchase of items for which prices or selection of suppliers are regulated by a governmental authority.
4. In-Kind Equipment Replacements. Goods being replaced in-kind, where the good being purchased serves the same function as the good it is replacing. These in-kind replacements would typically be components of an existing equipment, machine, or system.
5. Non-Owned Property. Contracts or arrangements for the sale or other disposal of abandoned property or other personal property whether or not owned by OLWS. Such contracts and arrangements must also comply with any applicable surplus property policy of OLWS.
6. Specialty Goods for Resale. Contracts for the purchase of specialty goods by

OLWS for resale to customers.

7. Sponsorship Agreements. Sponsorship agreements, under which OLWS receives a gift or donation in exchange for recognition of the donor.
8. Temporary Extensions or Renewals. Contracts for a single period of one (1) year or less, to provide for a temporary extension or renewal of an expiring and non-renewable contract, or recently expired contract, other than a contract for a public improvement.
9. Temporary Use of OLWS-Owned Property. OLWS may negotiate and enter into a license, permit, or other contract for the temporary use of OLWS-owned property without using a competitive selection process if:
  - a. The contract results from an unsolicited proposal to OLWS based on the unique attributes of the property or the unique needs of the proposer;
  - b. The proposed use of the property is consistent with OLWS's use of the property and the public interest; and
  - c. OLWS reserves the right to terminate the contract without penalty, in the event that OLWS determines that the contract is no longer consistent with OLWS's present or planned use of the property or the public interest.
10. Testing and/or inspections, for the purpose of meeting regulatory requirements. These contracts may include laboratory sampling and testing for the purpose of meeting any of OLWS's regulatory requirements.
11. Used Property. The General Manager may contract for the purchase of used property by negotiation if such property is suitable for OLWS's needs and can be purchased for a lower cost than substantially similar new property.
  - a. For this purpose, the cost of used property shall be based upon the life-cycle cost of the property over the period for which the property will be used by OLWS.
  - b. The General Manager shall record the findings that support the purchase.
12. Utilities. Contracts for the purchase of steam, power, heat, water, telecommunications services, and other utilities.
13. Conference/Meeting Room Contracts. Contracts entered into for meeting room rental, hotel rooms, food and beverage, and incidental costs related to conferences and OLWS-sponsored workshops and trainings.

- D. Emergency Procurements.** When the General Manager determines that immediate execution of a contract is necessary to prevent a substantial risk of loss, damage, or interruption of services, or a substantial threat of damage or injury to persons, property, public health, welfare, or safety, the General Manager may execute the contract without following the procedure that would ordinarily be required under these Procurement Rules, and without prior OLWS Board approval.



1. If time allows, the General Manager shall first seek competitive quotes from at least three (3) providers of the emergency contract work or services.
  2. When the General Manager enters into an emergency contract, the General Manager shall, as soon as possible in light of the emergency circumstances, document in the OLWS procurement files the nature of the emergency, the method used for selection of the particular contractor, and the reason why the selection method was deemed to be in the best interest of OLWS and the public.
  3. The General Manager shall notify the OLWS Board of the facts and circumstances surrounding the emergency execution of the contract. Where OLWS Board authorization would have been required for the contract execution if it were not awarded as an emergency procurement, the Board shall ratify the emergency contract at the next regularly scheduled Board meeting.
- E. Cooperative Procurements.** Cooperative procurements may be made without competitive solicitation as provided in the Public Contracting Code.
- F. Oregon Forward Program.** If a product or service is identified on the Oregon Forward procurement list that is maintained by the State Department of Administrative Services, OLWS shall follow ORS 279.825 to ORS 279.855 in selecting an Oregon Forward provider for such product or service. Janitorial and landscaping contracts are two examples of services that are typically available on the Oregon Forward procurement list, which list may be updated from time to time.

## **X. Protest and Appeal Procedures.**

- A. Protests and Judicial Review of Special Procurements.** An affected person may protest the request for approval of a special procurement as provided in this section.
1. **Delivery; Late Protests.** An affected person shall deliver a written protest to the General Manager within seven (7) days after the first date of public notice of a proposed special procurement, unless a different period is provided in the public notice. The protest period begins on the date the first notice was published in any form.
    - a. The written protest shall include a fee in an amount established in a schedule adopted by the General Manager to cover the costs of processing the protest.
    - b. A protest submitted after the timeframe established under this subsection is untimely and shall not be considered.
  2. **Content of Protest.** The written protest shall include:
    - a. Identification of the requested special procurement;
    - b. A detailed statement of the legal and factual grounds for the protest;
    - c. Evidence or documentation supporting the grounds on which the protest is

based;

- d. A description of the resulting harm to the affected person; and
  - e. The relief requested.
3. **Additional Information.** The General Manager may allow any person to respond to the protest in any manner the General Manager deems appropriate, by giving such persons written notice of the time and manner whereby any response shall be delivered.
  4. **OLWS Response.** The General Manager shall issue a written disposition of the protest in a timely manner.
    - a. If the General Manager upholds the protest, in whole or in part, the General Manager may, in the General Manager's sole discretion, implement the protest in the approval of the special procurement, deny the request for approval of the special procurement, or revoke any approval of the special procurement.
    - b. If the General Manager upholds the protest, in whole or in part, OLWS shall refund the fee required to be delivered with the protest.
  5. **Judicial Review.** An affected person may not seek judicial review of a denial of a request for a special procurement.
    - a. Before seeking judicial review of the approval of a special procurement, an affected person shall exhaust all administrative remedies.
    - b. Judicial review shall be in accordance with ORS 279B.400.

**B. Protests and Judicial Review of Sole-Source Procurements.** An affected person may protest the determination that goods or services or a class of goods or services are available from only one source as provided in this section.

1. **Delivery; Late Protests.** An affected person shall deliver a written protest to the General Manager within seven (7) days after the first date of public notice of a proposed sole source procurement is placed on OLWS's website, unless a different period is provided in the public notice.
  - a. The written protest shall include a fee in an amount established in a schedule adopted by the General Manager to cover the costs of processing the protest.
  - b. A protest submitted after the timeframe established under this subsection is untimely and shall not be considered.
2. **Content of Protest.** The written protest shall include:
  - a. A detailed statement of the legal and factual grounds for the protest;
  - b. Evidence or documentation supporting the grounds on which the protest is based;
  - c. A description of the resulting harm to the affected person; and

- d. The relief requested.
- 3. Additional Information. The General Manager may allow any person to respond to the protest in any manner the General Manager deems appropriate by giving such person written notice of the time and manner whereby any response shall be delivered.
- 4. General Manager Response. The General Manager shall issue a written disposition of the protest in a timely manner.
  - a. If the General Manager upholds the protest, in whole or in part, the proposed sole-source contract shall not be awarded.
  - b. If the General Manager upholds the protest, in whole or in part, OLWS shall refund the fee required to be delivered with the protest.
- 5. Judicial Review. An affected person may not seek judicial review of an election not to make a sole-source procurement.
  - a. Before seeking judicial review of the approval of a sole-source procurement, an affected person shall exhaust all administrative remedies.
  - b. Judicial review shall be in accordance with ORS 279B.400.

**C. Protests and Judicial Review of Personal Services Procurements.** An affected person may protest the procurement of a personal services contract as provided in this section.

- 1. Delivery. Unless otherwise specified in the solicitation document, the protest shall be in writing and delivered to the General Manager.
  - a. The written protest shall include a fee in an amount established in a schedule adopted by the General Manager to cover the costs of processing the protest.
  - b. Protests of the procurement of a specific contract as a personal services contract shall be made prior to closing.
  - c. Protests to the award or an intent to award a personal services contract shall be made within seven (7) days after issuance of the intent to award, or if no notice of intent to award is given, within forty-eight (48) hours after award.
  - d. Protests submitted after the timeframe established under this subsection are untimely and shall not be considered.
- 2. Contents of Protest. The written protest shall:
  - a. Specify all legal or factual grounds for the protest as follows:
    - i. A person may protest the solicitation on the grounds that the contract is not a personal services contract or was otherwise in violation of the Procurement Rules or applicable law. The protest shall identify the specific provision of the Procurement Rules or applicable law that was violated.

- ii. A person may protest award or intent to award for the reason that:
    - All proposals ranked higher than the affected persons are nonresponsive;
    - OLWS failed to conduct the evaluation of proposals in accordance with the criteria or processes described in the solicitation document;
    - OLWS abused its discretion in rejecting the affected person's proposal as nonresponsive; or
    - The evaluation of proposals or the subsequent determination of award is otherwise in violation of the Procurement Rules or applicable law.
  - iii. The protest shall identify the specific provision of the Procurement Rules or applicable law that was violated by OLWS's evaluation or award;
  - b. Include evidence or supporting documentation that supports the grounds on which the protest is based;
  - c. A description of the resulting harm to the affected person; and
  - d. The relief requested.
3. Additional Information. The General Manager may allow any person to respond to the protest in any manner the General Manager deems appropriate by giving such person written notice of the time and manner whereby any response shall be delivered.
  4. General Manager Response. The General Manager shall issue a written disposition of the protest in a timely manner.
    - a. If the General Manager upholds the protest, in whole or in part, the proposed personal services contract procurement shall be cancelled, or the contract shall not be awarded, as the case may be.
    - b. If the General Manager upholds the protest, in whole or in part, OLWS shall refund the fee required to be delivered with the protest.
  5. Judicial Review. Before seeking judicial review, an affected person shall exhaust all administrative remedies. Judicial review shall be in accordance with ORS 279B.420.

**D. Protests of Cooperative Procurements.** Protests of the cooperative procurement process, contents of a solicitation document, or award may be filed with OLWS only if OLWS is the administering agency and under the applicable procedure described herein.

**E. Protests of Specifications and Other Protests.** An affected person may file a protest with the General Manager, if the affected person believes that the procurement process used is contrary to law, or that a solicitation document or

specification is unnecessarily restrictive, legally flawed, or improperly specifies a brand name.

1. Delivery; Late Protests. An affected person shall deliver a written protest to the General Manager within seven (7) days after the earlier of: (i) the first date of publication of the specification, solicitation document, or proposed procurement; or (ii) the first date that public notice of the specification, availability of the solicitation document, or proposed procurement is placed on OLWS's website, unless a different period is provided in the publication or public notice.
  - a. The written protest shall include a fee in an amount established in a schedule adopted by the General Manager to cover the costs of processing the protest.
  - b. A protest submitted after the timeframe established under this subsection is untimely and shall not be considered.
2. Content of Protest. The written protest shall include:
  - a. Sufficient information to identify the solicitation that is the subject of the protest;
  - b. The grounds that demonstrate how the procurement process is contrary to law or how the solicitation document or specification is unnecessarily restrictive, legally flawed, or improperly specifies a brand name;
  - c. Evidence or documentation supporting the grounds on which the protest is based;
  - d. A description of the resulting harm to the affected person; and
  - e. The relief requested.
3. General Manager Response. The General Manager or designee shall consider all protests timely and completely filed, and shall issue a written disposition of the protest in a timely manner. The General Manager may allow any person to respond to the protest in any manner the General Manager deems appropriate by giving such person written notice of the time and manner whereby any response shall be delivered.
4. Judicial Review. Before seeking judicial review, an affected person shall first exhaust all administrative remedies, including timely and completely filing a protest under this section. Judicial review shall be in accordance with ORS 279B.420.

**OAK LODGE WATER SERVICES**

**RESOLUTION NO. 2023-0015**

**A RESOLUTION ADOPTING UPDATED PUBLIC CONTRACTING & PURCHASING RULES AND SUPERSEDING AND REPLACING RESOLUTION 18-15.**

**WHEREAS**, the Oak Lodge Water Services Authority (“OLWS”) is a public contracting agency, and pursuant to ORS 279A.060 the OLWS Board of Directors (“Board”) serves as the local contract review board and exercises OLWS’s procurement authority in accordance with the state Public Contracting Code ORS 279A, 279B, and 279C; and

**WHEREAS**, pursuant to ORS 279A.065, the Board has chosen to adopt its own local rules of procedure for public contracts, and accordingly, first adopted its purchasing rules by Resolution 16-06 on December 6, 2016, and later revised by Resolution 18-07 on June 19, 2018, and subsequently repealed and replaced by Resolution 18-15 on November 20, 2018;

**WHEREAS**, in addition to reviewing its local rules as required by ORS 279A.065(6)(b) to ensure compliance with state law, the Board periodically reviews its local rules to ensure that the rules preserve meaningful competition while affording OLWS sufficient flexibility and control to efficiently proceed with public procurements; and

**WHEREAS**, the Board after such a periodic review now desires to update its contracting and purchasing rules by adopting new local rules which shall supersede and replace all prior and conflicting procedures and practices.

**NOW, THEREFORE, BE IT RESOLVED BY THE OAK LODGE WATER SERVICES BOARD OF DIRECTORS, IN ITS CAPACITY AS THE OLWS LOCAL CONTRACT REVIEW BOARD:**

**Section 1.** Except as otherwise provided herein, the Oregon Attorney General’s Model Public Contracting Rules promulgated under ORS 279A.065 and set forth in Oregon Administrative Rules Chapter 137, Divisions 46, 47, 48, and 49, do not apply to OLWS.

**Section 2.** Resolution 18-15, Adopting Updated Public Contracting & Purchasing Rules and Repealing and Replacing Resolutions 16-06 and 18-07, is hereby superseded and replaced by this Resolution.

**Section 3.** The OLWS Contracting and Purchasing Rules (dated April 2023) attached hereto and incorporated herein by this reference, are hereby adopted as the OLWS local rules of procedure under ORS 279A.065(6) and shall supersede and replace all prior and existing contracting and purchasing practices, rules, and procedures.

**INTRODUCED AND ADOPTED THIS 18th DAY OF APRIL 2023.**

OAK LODGE WATER SERVICES

By \_\_\_\_\_ By \_\_\_\_\_  
Susan Keil, Chair Kevin Williams, Vice Chair



## STAFF REPORT

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**To** Board of Directors  
**From** David Hawkins, Plant Superintendent  
**Title** Consideration of Agreement Renewal with Madison Farms for Biosolids Land Application  
**Item No.** 5  
**Date** April 18, 2023

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### Summary

Staff is seeking the Board of Directors to authorize the General Manager to sign an agreement with Madison Biosolids Inc. (Madison) for biosolids land application in Eastern Oregon. This agreement will be four years in duration, from July 1, 2023, to July 1, 2027.

### Background

In 2010 Oak Lodge Water Services (OLWS), in cooperation with the Department of Environmental Quality (DEQ), entered into an agreement with Madison for the land application of biosolids created at the Wastewater Treatment Plant (WWTP). Madison not only accepts OLWS biosolids, but they also complete all permit required soil sampling, analysis, and testing. Not only has the OLWS experience with Madison been a favorable one, OLWS is only permitted to land apply OLWS biosolids at the specific site set forth in the OLWS Biosolids Management Plan.

The fiscal impact is expected to be approximately \$65,000 in fiscal year 2024, which includes the additional one-time (per contract) Grazing Income Offset Fee of \$20,000 due July 1<sup>st</sup>, 2023. The annual application charge has also increased from 3% year over year in the last contract to 5% year over year in this iteration.

### Budget

Funding for this agreement will come from the Water Reclamation Fund 20-21-6155, contracted services line.

### Concurrence

Staff collaborated with both the Finance Director for budgetary considerations as well as OLWS legal counsel.

**Recommendation**

Staff recommends the Board move to approve the General Manager to sign an agreement with Madison Biosolids Inc. for land application of biosolids.

**Suggested Board Motion**

*“I move to approve the General Manager to sign a contract for the land application of biosolids with Madison Biosolids Inc.”*

**Attachments**

1. OLWS Madison Ranch Land Application Agreement 2019
2. OLWS Madison Ranch Land Application Agreement 2023 DRAFT



## AGREEMENT FOR THE LAND APPLICATION OF BIOSOLIDS

Madison Biosolids, Inc. is an Oregon corporation ("Madison"). Madison Ranches Land 2, LLC is an Oregon limited liability company ("Madison Land"). Oak Lodge Water Services District is a Water and Sanitary District organized under ORS Chapters 264 and 450 (the "District"). Madison, Madison Land, and the District agree to terms and conditions according to which biosolids removed from the District's Wastewater Treatment Plant will be land applied by Madison to land owned by Madison Land ("Agreement").

### RECITALS

- A. The District desires to remove biosolids located in its Treatment Plant, haul the biosolids to Madison Land, and contract with Madison to utilize those biosolids by land application pursuant to the terms of Permit No. 100986; File No. 62795 issued by the Oregon Department of Environmental Quality ("DEQ"), and pursuant to the District Biosolids Management Plan. DEQ includes any successor agencies responsible for regulation of biosolid disposal or application. The DEQ Permit includes any extensions or renewals of the DEQ Permit.
- B. These recitals, DEQ Permit No. 100986; File No. 62795 including any extensions or renewals of the same (the "DEQ Permit"), and the Oak Lodge Water Services District Biosolids Management Plan dated May 5, 2016 and as may hereafter be amended from time to time, are hereby incorporated into this Agreement by this reference.
- C. Madison desires to accept and land-apply biosolids from the District's Treatment Plant in exchange for consideration provided to Madison by the District. Madison intends to make these land applications to property owned by Madison Land described below (the "Property"). A map of the Property is attached to this Agreement as "Exhibit A – Property Map."

The Parties agree to the following terms and conditions:

## 1. TERM & LOCATION

- 1.1. Effective Date. This Agreement becomes effective on the date of execution ("Effective Date").
- 1.2. Term. Unless subject to lawful early termination, this Agreement is to remain in force and effect through July 1, 2023 ("Expiration Date").
- 1.3. Location. The Property is located in Umatilla County: T3N, R27E section 34 (west half)  
TL 5700 Umatilla County
  - 1.3.1. DEQ site ID: NWR2010-01-BS
  - 1.3.2. Area: 169 acres

## 2. DISTRICT RIGHTS & OBLIGATIONS

- 2.1. District will deliver biosolids to specific locations on the Property as identified by Madison ("Staging Areas").
- 2.2. The District may only deliver biosolids to the Staging Areas when the composition of the biosolids are in compliance with the specifications and requirements of the DEQ Permit.
- 2.3. The District shall pay Madison according to these terms:
  - 2.3.1. Grazing Income Offset Fee. Due to the small size of the parcel under this contract and the consistent pace that the District will haul its biosolids product to Madison, Madison agrees that it will effectively lose certain grazing income from the Property under this Agreement. In exchange for this anticipated loss, the District will pay Madison a one-time fee of \$25 per acre per year for the reservation of and the right to deliver biosolids to the Property ("One-Time Fee"). The One Time Fee is  $\$25.00 \times 169 \text{ acres} \times 4 \text{ years} = \$16,900.00$ . The District will make an initial payment of \$4,225.00 along with the payment of the first invoice after August 1, 2019 and will pay the remainder of \$12,675.00 on July 1, 2020.
  - 2.3.2. Application Charge – Rate. In addition to the One-Time Fee, District shall pay Madison an application charge of \$14.62 per wet ton delivered to the Property ("Application Rate"). The Application Rate will be adjusted annually on July 1<sup>st</sup>. The annual rate increase will be fixed at a rate of 3% per year.
  - 2.3.3. Application Rate – District Weight Payments. The District shall weigh and produce a weight slip for each truckload of biosolids to be delivered to the Property ("District Weight Slips"). District Weight Slips must identify the date, time and weight of each load as that weight is determined and recorded by a state-certified scale. The District will deliver the District Weight Slips to Madison

weekly.

- 2.3.4. **Application Charge – Payment.** Madison shall invoice the District for District Weight Payments each month District Weight Slips are received by Madison. Interest shall accrue at the rate of 9% per annum on all undisputed payments made after 30 days of District's receipt of Madison's invoice. If a portion of Madison's invoice is disputed, the District shall pay the undisputed portion of the invoice when due. If it is determined upon resolution of the dispute that additional payment is owed, the District shall pay such additional amount within 30 days following the resolution of the dispute. Payment of the Application Charge constitutes full compensation to Madison for all costs of biosolids application.
- 2.4. The District and its contractors may enter the Property upon two (2) days' notice to Madison. District staff must escort District visitors on the Property for informational tours. During seasons other than planting and harvest and when staff are available, Madison shall assist the District by providing information and supporting the District's operation of site tours for interested parties accompanied by District personnel. The District acknowledges that Madison operates commercial farming and ranching operations on roads and land adjacent to the Property. The District further understands that such activities involve around-the-clock irrigation, transportation and fieldwork operations and that these operations present an inherently elevated level of risk to bystanders and observers. Therefore, the District adopts all responsibility for managing and directing persons it has invited to visit the Property for the purpose of observing the performance of obligations under this Agreement.
- 2.5. Subject to applicable constitutional and statutory limitations, including but not limited to ORS 30.260-30.300, the District shall indemnify Madison and Madison Land, their agents, officers, employees, and directors from any damages related to and from any claim arising from the negligent actions or omissions of the District's officers, employees, agents, or invitees upon the Property during the performance of the parties obligations under this Agreement. The District shall also indemnify Madison and Madison Land from damages and any claim related to the constituents of the biosolids delivered to the Property by the District so long as Madison performs land application activities in compliance with the DEQ Permit and all DEQ regulations associated with land application of biosolids.
- 2.6. Madison may, upon reasonable notice to District, inspect any District records related to the biosolids delivered to Madison.

### 3. MADISON RIGHTS & OBLIGATIONS

- 3.1. Madison shall accept all biosolids delivered to the Property by the District in conformance with the specifications of the DEQ Permit and according to the terms of this Agreement. Madison is familiar with the DEQ-permitted constituents of the biosolids and understands the risks and limitations associated with use of the biosolids and with the use of the Property to which biosolids have been applied.

- 3.2. Madison may suspend the application of biosolids for up to twenty-one (21) days due to concern for weather, ground, or environmental conditions.
- 3.3. Madison shall not use the biosolids for any purpose other than land application and as authorized by the DEQ Permit.
- 3.4. All costs related to the performance of all land application activities are the sole responsibility of Madison.
- 3.5. Subject to applicable constitutional and statutory limitations, including but not limited to ORS 30.260-30.300, Madison shall indemnify and defend District, its officers, agents and employees from any and all claims arising from the negligent actions or omissions of Madison's officers, directors, employees or agents in the performance of Madison's obligations under this Agreement including but not limited to Madison's failure to apply biosolids in accordance with the terms of the Permit, or from Madison's use of the Property.
- 3.6. Madison may not apply any other new or additional municipal or industrial biosolids, sludge or wastes of any kind to the Property without prior written consent of the District.
- 3.7. Madison shall maintain general liability insurance (including motor vehicle liability) and worker's compensation insurance in place for the term of this Agreement and at the minimum level of \$2,000,000 per incident. Madison shall provide District with certificates of insurance demonstrating proof of coverage for the term of this Agreement.
- 3.8. Madison shall perform its obligations under this Agreement in conformance with the requirements cited by the DEQ Permit, and in conformance with the requirements of the Oak Lodge Water Services District Biosolids Management Plan, and in conformance with all applicable DEQ regulations in effect during the term of this Agreement and of which Madison has actual notice.
- 3.9. Madison shall refund payments made by the District according to the following terms:
  - 3.9.1. Madison shall not refund any Application Charges or District Weight Payments.
  - 3.9.2. If the District terminates this Agreement prior to the Expiration Date, Madison shall not refund the One-Time Fee.
  - 3.9.3. If Madison terminates this Agreement prior to the Expiration Date, Madison shall refund a prorated share of the One-Time Fee calculated by the share of the yearly term remaining after the date of notice of termination ("Prorated Balance"). For example, because this Agreement is for a four (4) year term, if Madison terminates within one year following the Effective Date, then Madison shall refund to District  $\frac{3}{4}$  of the One-Time Fee. A "year" is July 1 through June 30.
  - 3.9.4. If this Agreement is terminated as a result of an order, ruling or other action by any governmental agency, court or arbitrator prior to the Expiration Date, then Madison shall refund 50% of the Prorated Balance of the One-Time Fee to District.



#### 4. REPRESENTATIONS

- 4.1. Madison Land represents that the Property is owned by Madison Land.
- 4.2. Madison and Madison Land represent that the execution and performance of the obligations of this Agreement by Madison and by Madison Land do not constitute and will not cause a violation, default or breach of, or in, any law, charter, bylaw, regulation, instrument, contract, guarantee, agreement, or other arrangement by which Madison and Madison Land are bound, by which their actions and authority are governed or restricted, or to which they are a party or guarantor, which violation, breach or default would materially impair their ability or the ability of the District to undertake and perform all of the actions and receive all of the benefits contemplated by this Agreement.
- 4.3. Madison and Madison Land represent that they have the full authority and have obtained all governmental and other consents necessary to enter into, execute and deliver this Agreement.
- 4.4. Madison and Madison Land are not aware of any law, regulation, or claim that may prevent the complete performance of this Agreement.

#### 5. GENERAL CONDITIONS

- 5.1. Termination. Any party to this Agreement may terminate this Agreement upon 120 days written notice to the other parties.
- 5.2. Notice. Notice will be deemed valid when delivered in writing either on the date personal service is made or three (3) business days after being deposited with the United States Postal Service via certified mail return receipt requested and addressed to recipient at the address provided below:
  - 5.2.1. Notice to District:

Oak Lodge Water Services District  
Attention: Sarah Jo Chaplen, General Manager  
14496 SE River Road  
Oak Grove, OR 97267
  - 5.2.2. Notice to Madison and Madison Land:

Jake Madison  
29299 Madison Road  
Echo, OR 97826
- 5.3. Relationship of Parties. No provision of this Agreement may be construed to create a partnership or joint venture relationship, an employer-employee relationship, a landlord-tenant relationship, or a principal-agent relationship between the parties to this Agreement.
- 5.4. Interpretation. All provisions of this Agreement have been negotiated at arm's length. This

Agreement is not to be construed for or against any party by reason of authorship or alleged authorship of any provision of this Agreement.

- 5.5. Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.
- 5.6. Integration. This Agreement contains the entire agreement and understanding of the parties with respect to the matters contemplated by this Agreement and supersedes all prior and contemporaneous communications between them with respect to such matters.
- 5.7. Amendment. This Agreement may not be modified or amended except by a written agreement executed by all of the parties to this Agreement.
- 5.8. Waiver. The failure of any party at any time to require performance or to enforce any provision of this Agreement shall not limit such party's right to later require performance or enforce such provision. Any waiver of any provision of this Agreement is effective only when made by a written agreement executed by all of the parties to this Agreement.
- 5.9. Survival. The indemnification obligations of this Agreement survive the termination of this Agreement.
- 5.10. Notice of Violations. Each party must promptly notify the other parties of any matter that prohibits or is likely to prohibit the performance of any obligations due under the terms of this Agreement.
- 5.11. Compliance with Laws. Each party shall comply with all applicable laws, ordinances, rules, regulations, orders, and other governmental requirements related to the performance due under the terms of this Agreement.
- 5.12. Breach of Agreement. As a general matter, the failure of any party to this Agreement to perform its obligations under this Agreement shall constitute a breach of the terms of this Agreement. However, the failure of any party to this Agreement to perform an obligation due under the terms of the Agreement shall not constitute a breach of this Agreement if the failure to perform was caused by events beyond the reasonable commercial control of the non-performing party (a "Force Majeure" event). Should a Force Majeure event occur, the parties must engage in good faith negotiations to revise the relevant terms of performance of this Agreement.

## 6. DISPUTE RESOLUTION

- 6.1. Choice of Law and Venue. This Agreement is subject to the laws of the State of Oregon. The venue for any suit or action arising out of this Agreement shall be in Umatilla County, Oregon.
- 6.2. Process. As the exclusive means of resolving through adversarial dispute resolution any disputes arising out of this Agreement, any party to this Agreement may demand that any such dispute be resolved by arbitration administered by the Arbitration Service of Portland in accordance with its Commercial Arbitration Rules, and each party hereby consents to any such disputes being so resolved (the "ASP Proceedings"). However, prior

to the initiation of the ASP Proceedings, the parties to this Agreement have ten (10) business days to negotiate a private settlement to the dispute (the "Negotiated Settlement Period"). Judgment on the award rendered in arbitration may be entered in any court having jurisdiction. In addition to any award made by the arbitrator on the merits of the disputed matter, the arbitrator shall also award the prevailing party all attorney's fees incurred during the entire dispute resolution process.

## 7. SIGNATURES

**MADISON BIOSOLIDS, INC.**, an Oregon corporation

By: 

Date: 7-10-19

Name: Jake Madison

Its: President

**MADISON RANCHES LAND 2, LLC**  
an Oregon limited liability company

By: 

Date: 7-10-19

Name: Jake Madison

Its: President

**OAK LODGE WATER SERVICES DISTRICT** an Oregon Water and Sanitary District

By: 

Date: 07/05/19

Name: Sarah Jo Chaplen

Its: General Manager



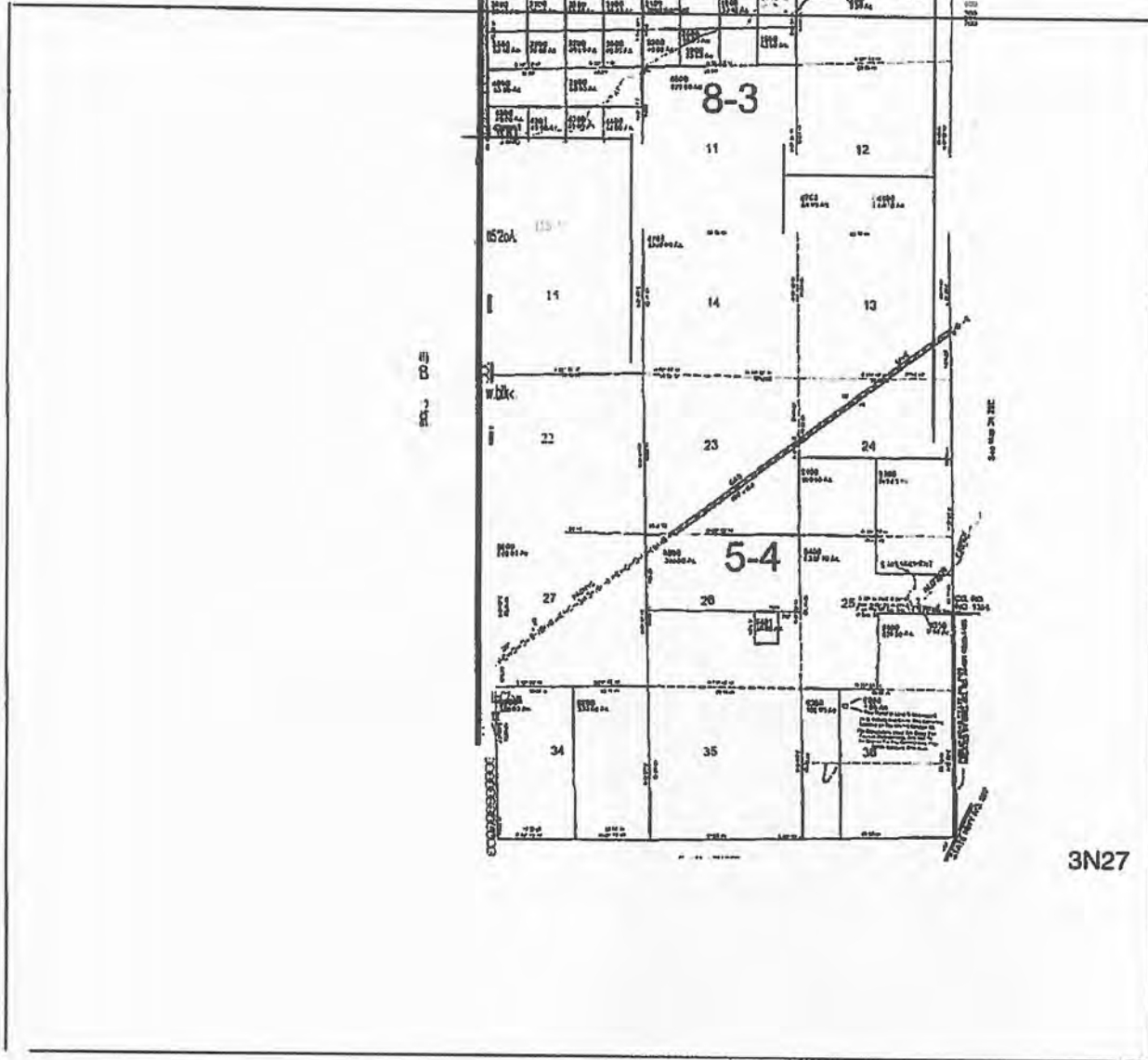


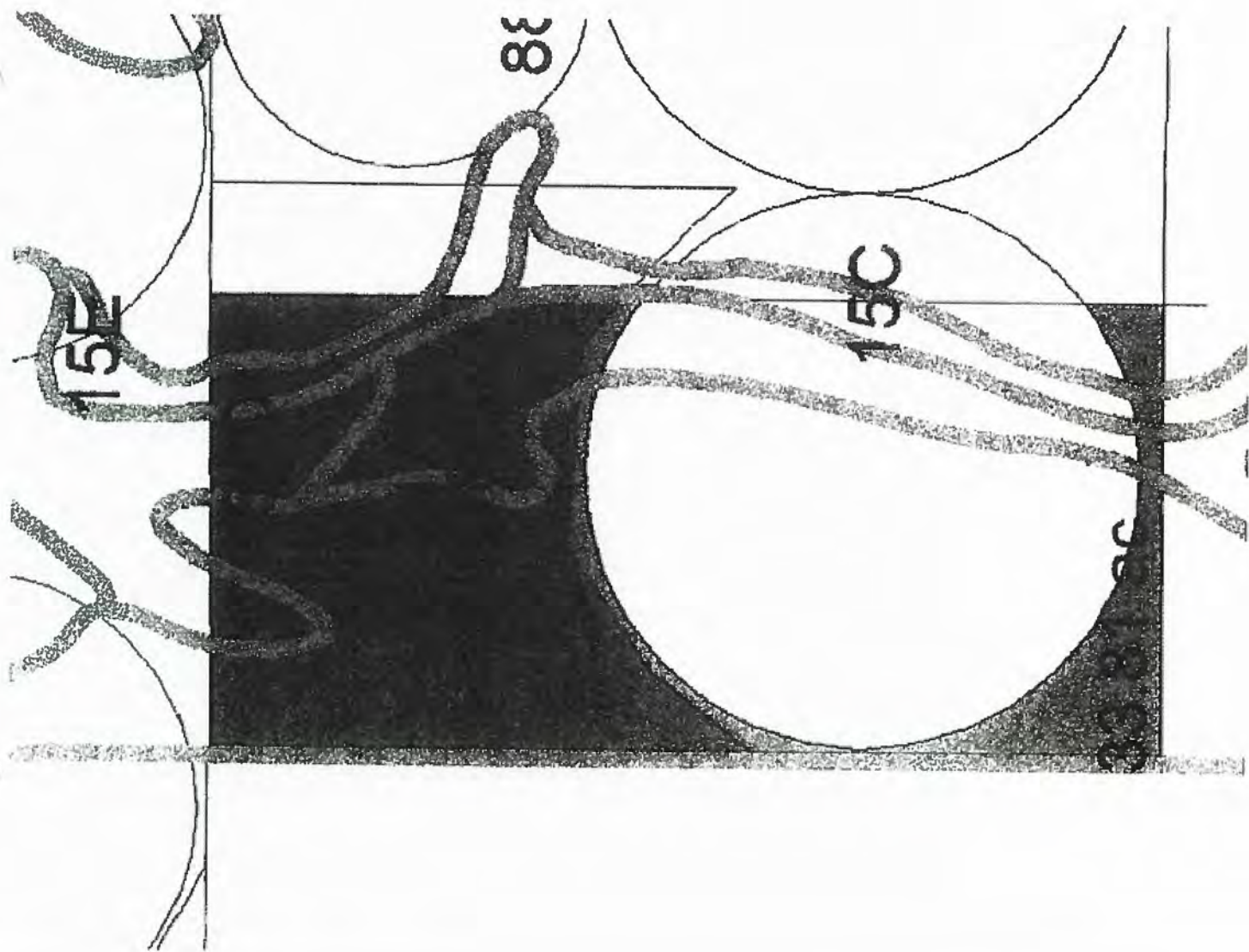
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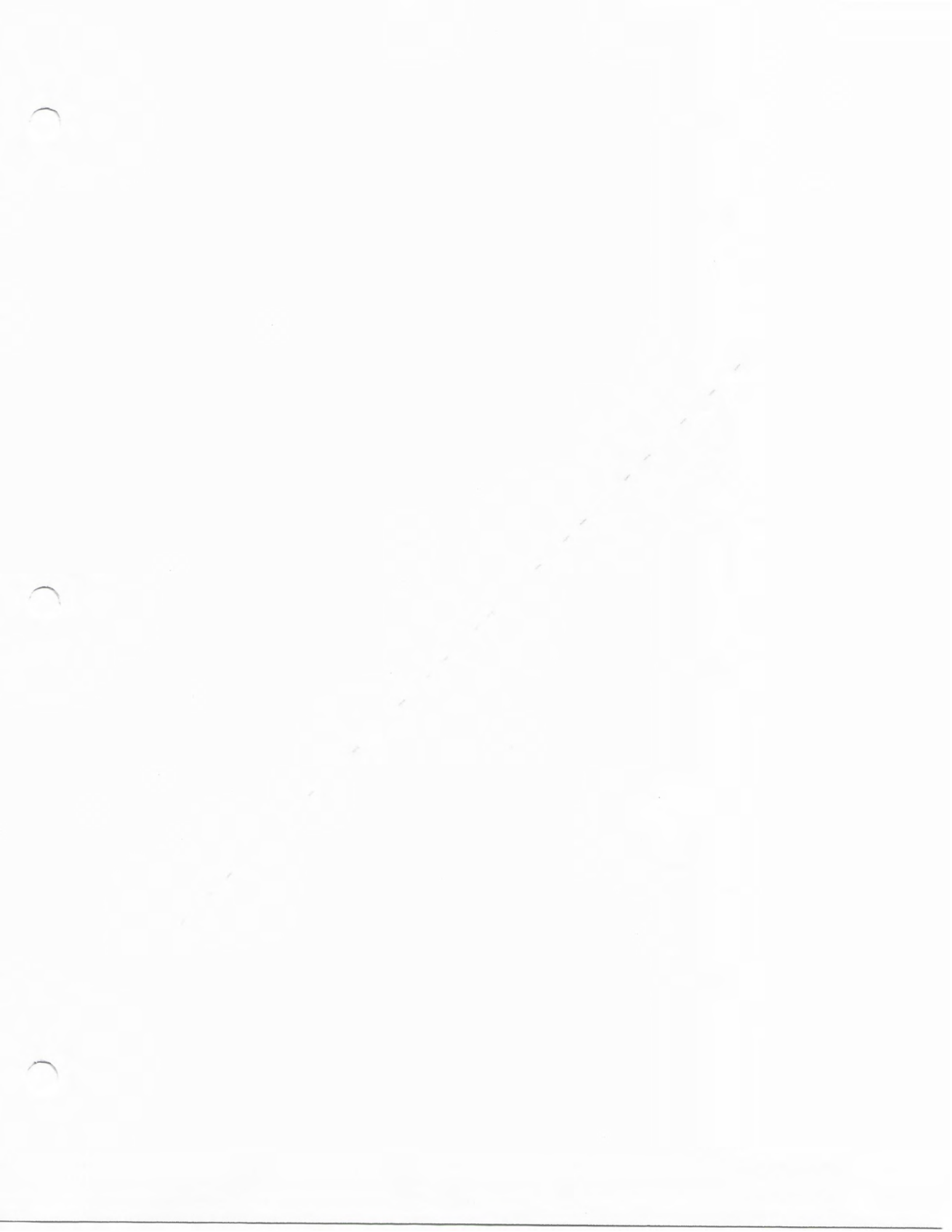
T3N R27E WM  
UMATILLA COUNTY, OR  
SCALE: 1" = 2000'

3N 27

R2 2P 92-94, 101-103 & 156-158











## AGREEMENT FOR THE LAND APPLICATION OF BIOSOLIDS

Madison Biosolids, Inc. is an Oregon corporation (“Madison”). Madison Ranches Land 2, LLC is an Oregon limited liability company (“Madison Land”). Oak Lodge Water Services Authority is a Joint Water and Sanitary Authority organized under ORS Chapter 450 (“OLWS”). Madison, Madison Land, and OLWS agree to the following terms and conditions according to which biosolids removed from OLWS’s Wastewater Treatment Plant (the “WWTP”) will be land-applied by Madison to land owned by Madison Land (the “Agreement”).

### RECITALS

- A. OLWS desires to remove biosolids located in its WWTP, haul the biosolids to Madison Land, and contract with Madison to utilize those biosolids by land application pursuant to the terms of Permit No. 100986; File No. 62795 issued by the Oregon Department of Environmental Quality (“DEQ”), and pursuant to the OLWS Biosolids Management Plan. DEQ includes any successor agencies responsible for the regulation of biosolids disposal or application under this Agreement. The DEQ Permit includes any extensions or renewals of the DEQ Permit.
- B. These recitals, DEQ Permit No. 100986; File No. 62795, including any extensions or renewals of the same (the “DEQ Permit”), and the OLWS Biosolids Management Plan dated July 2021, and as may hereafter be amended from time to time, are hereby incorporated into this Agreement by this reference.
- C. Madison desires to accept and land-apply biosolids from OLWS’s WWTP in exchange for consideration provided to Madison by OLWS. Madison intends to make these land applications to property owned by Madison Land described below (the “Property”). A map of the Property is attached to this Agreement as “Exhibit A – Property Map.”

The Parties agree to the following terms and conditions:

### TERM & LOCATION

1. Effective Date. This Agreement becomes effective on July 1, 2023 (“Effective Date”).
2. Term. Unless subject to lawful early termination, this Agreement is to remain in force and effect through June 30, 2027 (“Expiration Date”).
3. Location. The Property is located in Umatilla County: T3N, R27E section 34, and the SE quarter of T3N, R27E section 27 TL 5700, 5800, and 5600 Umatilla County
4. DEQ site ID: NWR2010-01-BS
5. Area: roughly 235 spreadable acres

## OLWS RIGHTS & OBLIGATIONS

1. OLWS will deliver biosolids to specific locations on the Property as identified by Madison (“Staging Areas”).
2. OLWS may only deliver biosolids to the Staging Areas when the composition of the biosolids is in compliance with the specifications and requirements of the DEQ Permit.
3. OLWS shall pay Madison according to these terms:
  - a. Grazing Income Offset Fee. Due to the small size of the parcel under this contract and the consistent pace that OLWS will haul its biosolids product to Madison, Madison agrees that it will effectively lose certain grazing income from 200 acres of the Property under this Agreement. In exchange for this anticipated loss, OLWS will pay Madison a one-time fee of \$25 per acre per year for the reservation of and the right to deliver biosolids to the Property (“One-Time Fee”). The One Time Fee is  $\$25.00 \times 200 \text{ acres} \times 4 \text{ years} = \$20,000$ . OLWS will make an initial payment of \$20,000 on July 2<sup>nd</sup>, 2023.
  - b. Application Charge – Rate. In addition to the One-Time Fee, OLWS shall pay Madison an application charge of \$16.50 per wet ton delivered to the Property (“Application Rate”). The Application Rate will be adjusted annually on July 1<sup>st</sup>; the annual rate increase will be fixed at a rate of 5% per year.
  - c. Application Rate – OLWS Weight Payments. OLWS shall weigh and produce a weight slip for each truckload of biosolids to be delivered to the Property (“OLWS Weight Slips”). OLWS Weight Slips must identify the date, time, and weight of each load, as that weight is determined and recorded by a state-certified scale. OLWS will deliver OLWS Weight Slips to Madison weekly.
  - d. Application Charge – Payment. Madison shall invoice OLWS for OLWS Weight Payments each month OLWS Weight Slips are received by Madison. Interest shall accrue at the rate of 9% per annum on all undisputed payments made after 30 days of OLWS’s receipt of Madison’s invoice. If a portion of Madison’s invoice is disputed, OLWS shall pay the undisputed portion of the invoice when due. If it is determined upon resolution of the dispute that additional payment is owed, OLWS shall pay such additional amount within 30 days following the resolution of the dispute. Payment of the Application Charge constitutes full compensation to Madison for all costs of biosolids application.
4. OLWS and its contractors may enter the Property upon two (2) days’ notice to Madison. OLWS staff must escort OLWS visitors on the Property for informational tours. During seasons other than planting and harvest, and when staff are available, Madison shall assist OLWS by providing information and supporting OLWS’s operation of site tours for interested parties accompanied by OLWS personnel. OLWS acknowledges that Madison operates commercial farming and ranching operations on roads and land adjacent to the Property. OLWS further understands that such activities involve around-the-clock irrigation, transportation, and fieldwork operations, and that these operations present an inherently elevated level of risk to bystanders and observers. Therefore, OLWS adopts all responsibility for managing and directing persons it has invited to visit the Property for the purpose of observing the performance of obligations under this Agreement.
5. Subject to applicable constitutional and statutory limitations, including but not limited to ORS 30.260-30.300, OLWS shall indemnify Madison and Madison Land, their agents, officers,

employees, and directors from any damages related to and from any claim arising from the negligent actions or omissions of OLWS's officers, employees, agents, or invitees upon the Property during the performance of the parties' obligations under this Agreement. OLWS shall also indemnify Madison and Madison Land from damages and any claim related to the constituents of the biosolids delivered to the Property by OLWS, so long as Madison performs land application activities in compliance with the DEQ Permit and all DEQ regulations associated with land application of biosolids.

6. Madison may, upon reasonable notice to OLWS, inspect any OLWS records related to the biosolids delivered to Madison.

## **MADISON RIGHTS & OBLIGATIONS**

1. Madison shall accept all biosolids delivered to the Property by OLWS in conformance with the specifications of the DEQ Permit and according to the terms of this Agreement. Madison is familiar with the DEQ-permitted constituents of the biosolids and understands the risks and limitations associated with use of the biosolids and with the use of the Property to which biosolids have been applied.
2. Madison may suspend the application of biosolids for up to twenty-one (21) days due to concern for weather, ground, or environmental conditions.
3. Madison shall not use the biosolids for any purpose other than land application and as authorized by the DEQ Permit.
4. All costs related to the performance of all land application activities are the sole responsibility of Madison.
5. Subject to applicable constitutional and statutory limitations, including but not limited to ORS 30.260-30.300, Madison shall indemnify and defend OLWS, its officers, agents, and employees from any and all claims arising from the negligent actions or omissions of Madison's officers, directors, employees, or agents in the performance of Madison's obligations under this Agreement, including but not limited to Madison's failure to apply biosolids in accordance with the terms of the Permit, or from Madison's use of the Property.
6. Madison may not apply any other new or additional municipal or industrial biosolids, sludge or wastes of any kind to the Property without prior written consent of OLWS.
7. Madison shall maintain general liability insurance (including motor vehicle liability) and worker's compensation insurance in place for the term of this Agreement and at the minimum level of \$2,000,000 per incident. Madison shall provide OLWS with certificates of insurance demonstrating proof of coverage for the term of this Agreement.
8. Madison shall perform its obligations under this Agreement in conformance with the requirements cited by the DEQ Permit, and in conformance with the requirements of the Oak Lodge Water Services Biosolids Management Plan, and in conformance with all applicable DEQ regulations in effect during the term of this Agreement and of which Madison has actual notice.

9. Madison shall refund payments made by OLWS according to the following terms:
  - a. Madison shall not refund any Application Charges or OLWS Weight Payments.
  - b. If OLWS terminates this Agreement prior to the Expiration Date, Madison shall not refund the One-Time Fee.
  - c. If Madison terminates this Agreement prior to the Expiration Date, Madison shall refund a prorated share of the One-Time Fee calculated by the share of the yearly term remaining after the date of notice of termination ("Prorated Balance"). For example, because this Agreement is for a four (4) year term, if Madison terminates within one year following the Effective Date, then Madison shall refund to OLWS  $\frac{3}{4}$  of the One-Time Fee. A "year" is July 1 through June 30.
  - d. If this Agreement is terminated as a result of an order, ruling, or other action by any governmental agency, court, or arbitrator prior to the Expiration Date, then Madison shall refund 50% of the Prorated Balance of the One-Time Fee to OLWS.

## REPRESENTATIONS

1. Madison Land represents that the Property is owned by Madison Land.
2. Madison and Madison Land represent that the execution and performance of the obligations of this Agreement by Madison and by Madison Land do not constitute and will not cause a violation, default or breach of, or in, any law, charter, bylaw, regulation, instrument, contract, guarantee, agreement, or other arrangement by which Madison and Madison Land are bound, by which their actions and authority are governed or restricted, or to which they are a party or guarantor, which violation, breach or default would materially impair their ability or the ability of OLWS to undertake and perform all of the actions and receive all of the benefits contemplated by this Agreement.
3. Madison and Madison Land represent that they have the full authority and have obtained all governmental and other consents necessary to enter into, execute, and deliver this Agreement.
4. Madison and Madison Land are not aware of any law, regulation, or claim that may prevent the complete performance of this Agreement.

## GENERAL CONDITIONS

1. Termination. Any party to this Agreement may terminate this Agreement upon 120 days' written notice to the other parties.
2. Notice. Notice will be deemed valid when delivered in writing either on the date personal service is made or three (3) business days after being deposited with the United States Postal Service via certified mail return receipt requested and addressed to recipient at the address provided below:



Notice to OLWS:

Oak Lodge Water Services  
Attention: Sarah Jo Chaplen, General Manager  
14496 SE River Road  
Oak Grove, OR 97267

Notice to Madison and Madison Land:

Jake Madison  
29299 Madison Road  
Echo, OR 97826

3. Relationship of Parties. No provision of this Agreement may be construed to create a partnership or joint venture relationship, an employer-employee relationship, a landlord-tenant relationship, or a principal-agent relationship between the parties to this Agreement.
4. Interpretation. All provisions of this Agreement have been negotiated at arm's length. This Agreement is not to be construed for or against any party by reason of authorship or alleged authorship of any provision of this Agreement.
5. Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.
6. Integration. This Agreement contains the entire agreement and understanding of the parties with respect to the matters contemplated by this Agreement and supersedes all prior and contemporaneous communications between them with respect to such matters.
7. Amendment. This Agreement may not be modified or amended except by a written agreement executed by all of the parties to this Agreement.
8. Waiver. The failure of any party at any time to require performance or to enforce any provision of this Agreement shall not limit such party's right to later require performance or enforce such provision. Any waiver of any provision of this Agreement is effective only when made by a written agreement executed by all of the parties to this Agreement.
9. Survival. The indemnification obligations of this Agreement survive the termination of this Agreement.
10. Notice of Violations. Each party must promptly notify the other parties of any matter that prohibits or is likely to prohibit the performance of any obligations due under the terms of this Agreement.
11. Compliance with Laws. Each party shall comply with all applicable laws, ordinances, rules, regulations, orders, and other governmental requirements related to the performance due under the terms of this Agreement.
12. Breach of Agreement. As a general matter, the failure of any party to this Agreement to perform its obligations under this Agreement shall constitute a breach of the terms of this Agreement. However, the failure of any party to this Agreement to perform an obligation due under the terms of the Agreement shall not constitute a breach of this Agreement if the failure to perform

was caused by events beyond the reasonable commercial control of the non-performing party (a "Force Majeure" event). Should a Force Majeure event occur, the parties must engage in good faith negotiations to revise the relevant terms of performance of this Agreement.

**DISPUTE RESOLUTION**

1. Choice of Law and Venue. This Agreement is subject to the laws of the State of Oregon. The venue for any suit or action arising out of this Agreement shall be in Umatilla County, Oregon.
2. Process. As the exclusive means of resolving through adversarial dispute resolution any disputes arising out of this Agreement, any party to this Agreement may demand that any such dispute be resolved by arbitration administered by the Arbitration Service of Portland, and each party hereby consents to any such disputes being so resolved (the "ASP Proceedings"). However, prior to the initiation of the ASP Proceedings, the parties to this Agreement have ten (10) business days to negotiate a private settlement to the dispute (the "Negotiated Settlement Period"). Judgment on the award rendered in arbitration may be entered in any court having jurisdiction. In addition to any award made by the arbitrator on the merits of the disputed matter, the arbitrator shall also award the prevailing party all attorney's fees incurred during the entire dispute resolution process.

**SIGNATURES**

MADISON BIOSOLIDS, INC., an Oregon corporation

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

Name: Jake Madison Title: President

MADISON RANCHES LAND 2, LLC, an Oregon limited liability company

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

Name: Jake Madison Title: Member

OAK LODGE WATER SERVICES AUTHORITY, an Oregon Joint Water and Sanitary Authority

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

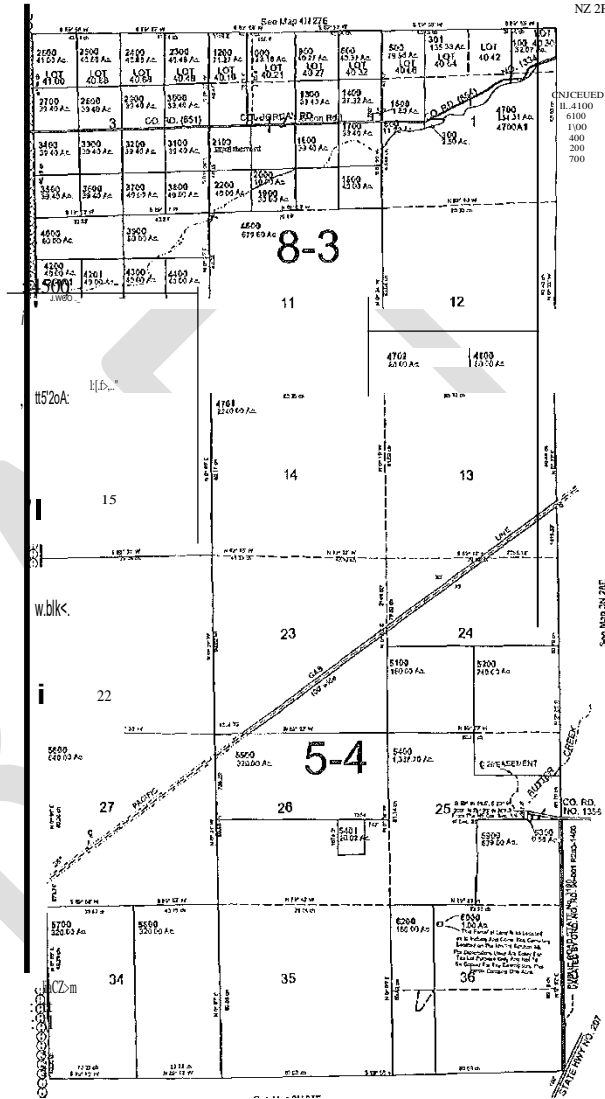
Name: Sarah Jo A. Chaplen Title: General Manager

# EXHIBIT A PROPERTY MAP

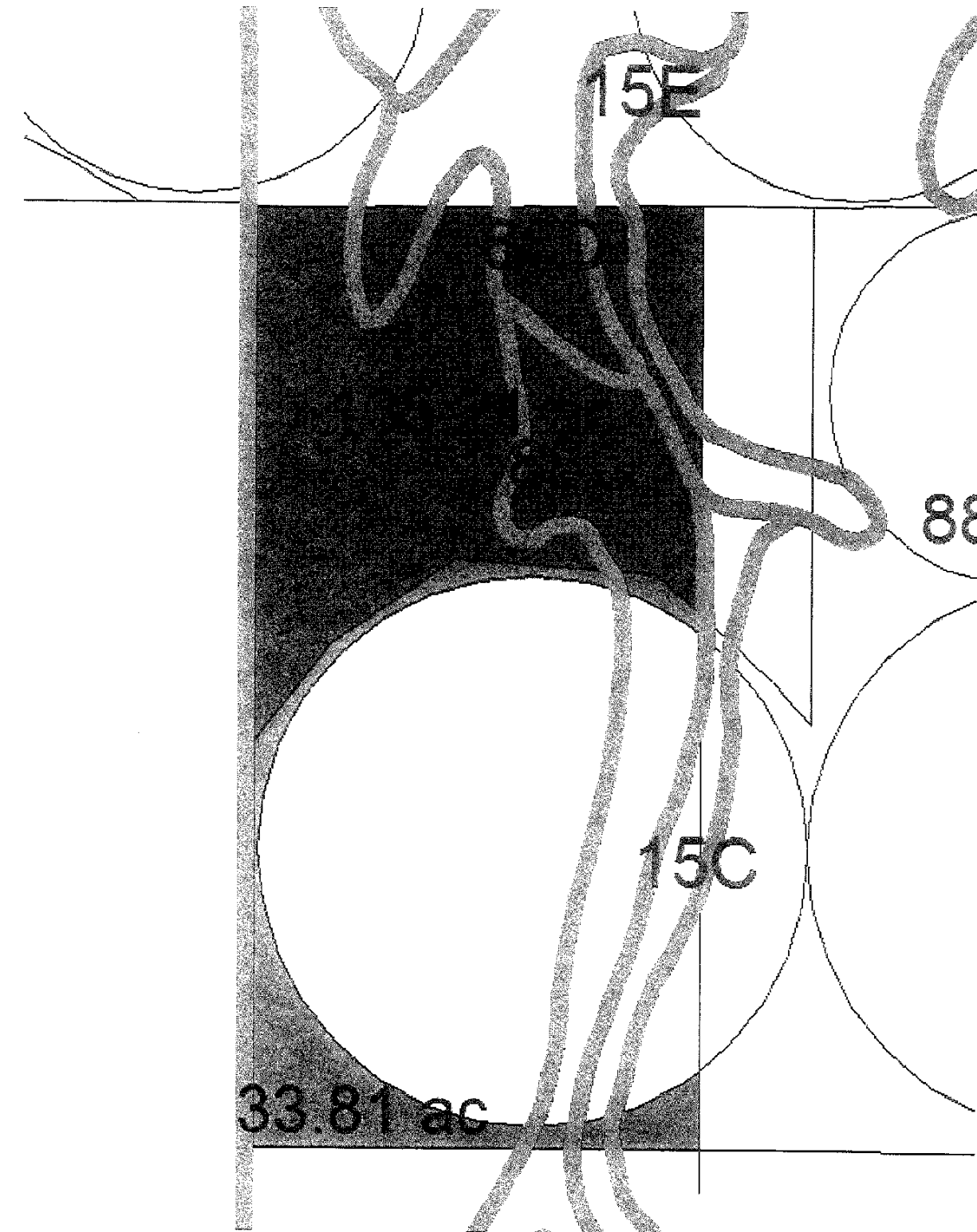
3N 27

T3N R27E WM  
UMATILLA COUNTY, OR  
SCALE: 1" = 2000'

NZ 2P 92-94, 101-103 & 156-158



3N27





## AGENDA ITEM

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<b>Title</b>	Business from the Board
<b>Item No.</b>	6
<b>Date</b>	April 18, 2023

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### Summary

The Board of Directors appoints representatives to serve as OLWS liaisons or representatives to committees or community groups.

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

Business from the Board may include:

- a. Individual Director Reports
- b. Tabled Agenda Items

**OAK LODGE WATER SERVICES  
2023 BOARD LIAISON ASSIGNMENTS**

<b>Board/Committee</b>	<b>Primary Liaison</b>	<b>Alternate Liaison</b>	<b>Meeting Cadence</b>
American Water Works Association (AWWA)	All Directors	N/A	Varies
Chamber of Commerce	Ginny Van Loo	Susan Keil	Monthly, Third Wednesday 11:45 a.m. – 1:15 p.m.
Clackamas River Water	Kevin Williams	Paul Gornick	Monthly, Second Thursday 6 p.m.
Clackamas County Coordinating Committee (C-4)	Paul Gornick	Susan Keil	Monthly, First Thursday 6:45 p.m.
Healthy Watersheds	Kevin Williams	OPEN	
Jennings Lodge CPO	Kevin Williams	Paul Gornick	Quarterly, Fourth Tuesday 6 p.m.
North Clackamas County Water Commission (NCCWC)	1: Paul Gornick 2: Kevin Williams	Susan Keil	Quarterly, Fourth Thursday (Jan, Mar, June, Sept) 5:30 p.m.
Oak Grove Community Council	Heidi Bullock	Susan Keil	Monthly, Fourth Wednesday 7 p.m.
Regional Water Providers Consortium (RWPC)	Kevin Williams	Paul Gornick	3x Annually, First Wednesday 6:30 p.m.
Special Districts Association of Oregon (SDAO)	All Directors	N/A	Varies
Sunrise Water Authority (SWA)	Paul Gornick	Kevin Williams	Monthly, Fourth Wednesday 6 p.m.

## Business from the Board

### Paul Gornick's Liaison Report – April 2023

March 22, 2023 - Sunrise Water Board Meeting (hybrid meeting)

- Board went into executive session prior to regular meeting to consult with counsel regarding legal rights and duties of a public body regarding current or pending litigation.
- General Manager's report – Wade Hathhorn noted that despite lower than normal precipitation in February, the colder than normal temperatures has led to the snow pack remaining close to the historic median level. The new admin/operations building now has all interior framing underway, and mechanical, electrical, and plumbing rough-in continues. Storefront frame/windows are being fabricated, and garage doors are being installed in the shop building. As weather improves, work on the interior road and access road to Armstrong Circle will proceed.
- There was a spirited discussion of the proposed monument sign for the new facility, with most concerns related to use of materials and location that will prevent vandalism.
- The website to view progress photos of the new facility here: [New Facility - Sunrise Water Authority](#)

March 23, 2023 – North Clackamas County Water Commission Meeting

- This meeting served as both a budget committee meeting and regular board meeting.
- With minor corrections, the budget was approved by the committee and forwarded to the Board for formal adoption at a future meeting.
- General Manager Wade Hathhorn discussed the Court of Appeals decision on the issue of renewal of water rights: *“More than 17 years ago, the NCCWC and others faced the renewal of their water right permit on the Clackamas River. The State’s original ruling allowing expanded use of the permit to meet future expected demands was contested by Water Watch. At issue was the State’s findings the planned “undeveloped” withdrawals would not endanger the long-term “persistence” of protected fish species. Now, after several legal proceedings including prior reviews by the Court of Appeals and the Oregon Supreme Court, the Court of Appeals has once again ruled in favor the Oregon Water Resources Department and related permit extension holders to allow for the expanded use of the Clackamas River subject to the state’s latest standards for instream flows set at 650 cfs prior to Sept 15 and then 800 cfs thereafter. This marks a historic step toward continued access to our water supply, along with a defined mechanism for managing future conservation and withdrawals. There is a chance that Water Watch can appeal this ruling but only on very narrow legal standing. Bottomline, this all means the courts “affirmed” the “municipal applicants” position for their past, present, and future use of the Clackamas River. Details of the case and the court’s ruling will be shared at the upcoming Board meeting.”*
- GM Hathhorn discussed the status of the apprenticeship program for water system operators. At completion of the 2-year apprenticeship program, a candidate would be eligible for a Level 2 certification test. The two persons in the program have left the program, one to pursue other lines of work, and the 2<sup>nd</sup> left after one year to work as a

Level 1 operator in another system's plant. The state BOLI will be holding a hearing in March to review the program for compliance.

- The slow sand replacement project has begun, but the supplier (Knife River) is only able to supply about half the needed sand due to a similar project in Salem. The contractor is utilizing the available material on the first two beds, and will complete the first two beds and remaining two beds in the Fall 2023-Spring 2024 period when the needed material should be available.

#### April 06, 2023 – Clackamas County Coordinating Committee (C4) Meeting

- Paul Scarlett from ODOT Region I presented a status report on the 2024-2027 State Transportation Improvement Program (STIP). A discussion followed related to projects that are within Clackamas County. See meeting packet for slide deck listing these projects.
- A group discussion followed with edits to a draft letter from C4 to Mandy Putney at ODOT regarding issues in the Draft Environmental Analysis. One edit revised language to point out that diversion to local roads has been occurring for years from the 2-lane segment of I-205 between Stafford Road and OR99E, and will only be exacerbated by tolling this stretch. It was pointed out that recent and current improvements in Washington County to US26 and OR217 were fully funded without tolls, and these segments are not proposed for inclusion in the regional tolling scheme.
- There was further discussion about the June 2023 C4 retreat agenda, which will focus on Housing Issues at the Friday session, and I-205 tolling at the Saturday morning session.
- The C4 meeting packet can be found here: [831f2c0c-d82d-496f-a574-1805d6e5bf08 \(clackamas.us\)](https://clackamas.us/831f2c0c-d82d-496f-a574-1805d6e5bf08) A video of the C4 meeting can be found on YouTube, here: *Not available as of April 10th*



Business from the Board Report  
Heidi Bullock  
April 2022

**Oak Grove Community Council Meeting  
March 22, 2023**

**AGENDA**

Welcome

Introductions

Officer Reports

**Business Presentation:** Daily Records: Stephen and Emily MacKey

**Main Presentation:** Anatta Blackmarr and Ryan Stee from the Park District Advisory Board.

**LUART**

**Fire District Update:** Brian Goodrich

Committee Reports

Announcements

Next Meetings:

Board April 3

General April 26

**NOTES:**

**New business in the Oak Grove area, Daily Records.**

**<https://dailyrecordshop.com/>**

**North Clackamas Parks and Recreation District**

**Anatta and Ryan presented on the district advisory committee (DAC).**

**Anatta Blackmarr will be rotating off the DAC and was recruiting for new member for the subarea 2.**

## Kevin Williams Meetings attended in March/April of 2023

### 1. North Clackamas County Water Commission Meeting March 23,2023

The meeting served as the annual budget meeting for the commission and our quarterly Board of Commissioners meeting. Notable things from the meeting included an approved budget request that will have a 3.6% wholesale water rate increase.

The Capital project for the changing of the sand contained in the slow sand filter beds will progress but the two beds will not be changed at the same time. This is due to a problem with sourcing adequate supply of the sand to do both at the same time. There is only one supplier in Oregon and other entities were in line before us.

We received information from Wade that the Supreme Court had ruled in the favor of Water Providers on the Clackamas River in the long running suit brought by Water Watch. He mentioned they had the right to appeal the decision and in fact notified us a few days later that they filed a notice to appeal the ruling.

### 2. The Jennings Lodge C.P.O. meeting took place on March 28,2023.

The main topic of the meeting was a presentation from Clackamas Fire District 1 explaining the tax levy that will appear on the May ballot. Battalion chief Melanie Kinney and captain Craig Bowen were present. The levy will be used to fix some staffing shortages in the district which should enhance response capabilities and the corresponding response times. It is titled Measure 3-594 and will increase your property tax rate by 52 cents per 1000.00 of your assessed value.

The C.P.O. had their annual Board election and the following people will be serving in these positions:

Ed Gronke-Chair

Linda Newman- Vice Chair

Virginia Foster- Treasurer

Brenda Koehler and Angie Koehler- Secretary

Patricia Reinert - Board Member at large

They have other at large positions open if anyone knows of interested Jennings Lodge residents.

### 3. Clackamas River Water Board meeting April 13,2023

I have provided meeting agendas and will be happy to answer any questions in our meeting.

**CLACKAMAS RIVER WATER  
BOARD OF COMMISSIONERS  
REGULAR MEETING**

**Held at 16770 SE 82<sup>nd</sup> Dr. Clackamas, OR 97015**



**Clackamas River Water**

**This Meeting will have both an in person and remote option for attending**

**April 13, 2023 at 6:00pm**

**AGENDA**

**Public Comment:** If a member of the public wishes to address the Board during a meeting, they are encouraged to inform Board staff through email to [kholtzgang@crwater.com](mailto:kholtzgang@crwater.com) no later than 4pm the day of the meeting. If a person will attend the meeting through Zoom and wishes to provide public comment, prior notice to [kholtzgan@crwater.com](mailto:kholtzgan@crwater.com) no later than 4pm on the day of the meeting is **required** in order to ensure access. The notice should include the following information: (1) Full name; (2) Address/City/ZIP; (3) Email address or phone number to be used to access the Zoom meeting, so it can be unmuted; (4) District/Organization/Public; and (5) Topic of your public comment and or specific agenda item you wish to speak on.

Members of the public are welcome to speak for a maximum of three minutes during a time designated on the agenda for public comment. The speaker must state their name, address, and if they are a customer or not for the record. Public comment provided at the *beginning* of the agenda will be reserved for comment on agenda items, special presentations, letters, and complaints. Public comment as listed at the *end* of the agenda will be for the purpose of “wrapping up” any remaining concerns.

Anyone who wishes to attend the meeting remotely by Zoom may do so by internet at <https://us02web.zoom.us/j/86730769852> or by calling the following number 1 719 359 4580 and join meeting/ 86730769852#. **Passcode:** 125171

**REGULAR MEETING -@ 6:00pm**

Call to Order, Pledge of Allegiance and Roll Call - *Sherry French, President*

- a. Approval of the Agenda

**Public Comment** (*see blue box at the top of the agenda*)

**Consent Agenda**

CA-1: **Gross Payroll and Accounts Paid: March 2023**

CA-2: **Cash Position and Transfers: March 2023**

CA-3: **Adoption of the March 9, 2023 CRW Board Meeting Minutes** -*Todd Heiderken, General Manager*

CA-4: **Project Acceptance: Accept Assets Constructed for the ‘D St. Improvements’ Project 19-5254.** *Joe Esken, Engineering Manager*

**Action Items**

1. **Second Reading by Title Only and Adoption of Resolution 10-2023 Amending Local Contract Review Board Rules 110-012, Contract Exceptions and Exemptions-** *Todd Heiderken, General Manager*
2. **Consider Approval of Contract Amendment with Cascade Columbia Distributing in Excess of the General Managers Signature Authority-** *Todd Heiderken, General Manager*
3. **Consider Approval of On-Call Construction Contract Extensions-** *Todd Heiderken, General Manager*

**NEXT PAGE**

4. **Consider Adoption of Resolution 11-2023 Appoint Budget Officer for BN 2023-2025-**  
*Todd Heidgerken, General Manager*
5. **Consider Exemption Request for Water Service to 20106 S. Atwood Ln, Oregon City-**  
*Adam Bjornstedt, Chief Engineer*
6. **Consider Approval of Intergovernmental Agreement (IGA) with Clackamas County:  
IGA Between Clackamas River Water And Clackamas County Department Of  
Transportation & Development Relating To The Redland Rd Turn Lanes At  
Ferguson And Bradley Improvement Project-** *Joe Eskew, Engineering Manager*

#### **Informational Reports**

7. Management Report – *Todd Heidgerken, General Manager*
8. Public Comment (*see blue box at the top of the agenda*)

#### **Commissioner Business**

9. Commissioner Reports and Reimbursements

***Adjourn regular meeting***

The meeting location is accessible to persons with disabilities. A request for accommodations for persons with disabilities should be made at least 48 hours before the meeting to Adora Campbell (503) 722-9226.

**From:** [Sue Keil](#)  
**To:** [Laural Casey](#)  
**Subject:** State of the County Forum  
**Date:** Wednesday, April 12, 2023 9:51:13 AM

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I attended the State of Clackamas County Forum on April 5. Each of the Commissioners and the Chair talked briefly about their priorities. Chair Smith talked about the need for the new courthouse as the facility served the now, 430,000 population of the County and that the old one was both inadequate in size and very unsafe. She noted that no new taxes were required to build it.

Commissioner Savas spoke about tolling on I-205 and the traffic diversion from tolling into West Linn and Oregon City. He stated that other alternatives such as express lanes or tolling of a single lane had been rejected by ODOT. The BCC is in opposition to the tolling plan proposed and is actively working to derail it.

Commissioner Schrader spoke about the County emphasis on business retention, expansion and development. She said businesses are being asked how the BCC can be more supportive of them. Laura Edmonds has been hired away from the North Clackamas Chamber to be the Economic Development Director for the County.

Commissioner Shull spoke about the second phase of the Sunrise Corridor project, which would extend it from 122nd-172<sup>nd</sup>. This is seen as providing much better transportation access and support for business development and employment.

Commissioner Ben West spoke about the need and County emphasis on addiction and mental health services, not just housing as housing alone is not effective. This appears to be an area in which he will assume some leadership.

The Board asked that residents contact their state representatives to let them know we were opposed to the tolling plan being proposed.

## STAFF REPORT

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**To** Board of Directors  
**From** Aleah Binkowski, Human Resources Manager  
**Title** Human Resources Monthly Report  
**Item No.** 7b  
**Date** April 18, 2023

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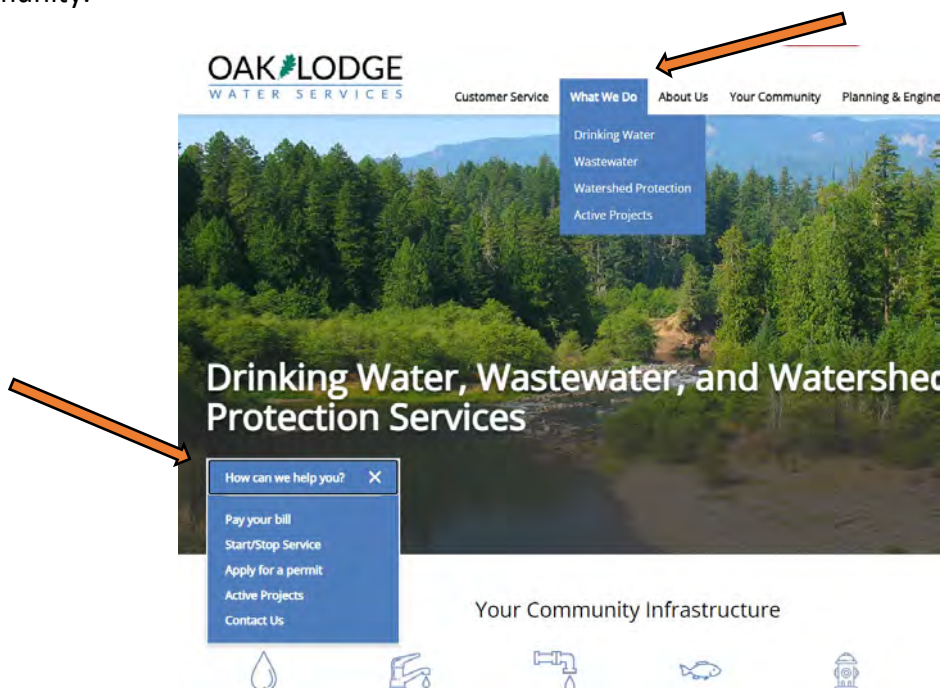
### Summary

The Board has requested updates at regular meetings on the status of OLWS operations.

### Communications and Outreach

#### Active Projects Webpage

Do you want to know what's going on in your community? Check out our 'Active Projects' webpage. You can access the 'Active Projects' webpage in two places on the OLWS website: (1) Hover over 'What We Do' then click on 'Active Projects' (2) or click on 'How can we help you?' and click 'Active Projects'. The 'Active Projects' webpage is updated every week to ensure we're sharing the most up to date information about the work our field crews are doing in your community.



### National Work Zone Awareness Week (April 17- April 23)

National Work Zone Awareness Week is an annual spring campaign held at the start of construction season to encourage safe driving through work zones. The key message is for drivers to use extra caution in work zones. You play a role in work zone safety. Go Orange Day is Wednesday, April 19 – wear orange to proudly show your support of work zone safety.

### High School Career Event at Clackamas Community College

OLWS staff attended the Clackamas Community College Career Event on April 11, 2023. The audience for this event was students, their families, and the community. This was a great opportunity for staff to share information about career opportunities in the drinking water and wastewater industry.

### Save the Date – Drinking Water Week – Community Pop-up Event

Clean, safe drinking water is vital for protecting public health, the environment, and pizza! Water is actually a very important ingredient in pizza-making. Come celebrate Drinking Water Week with a free slice of pizza (1 slice per person) from Hearth and Soul Pizza Company on Saturday, May 13 from 11 AM – 1 PM. They will be stationed behind Awakening Coffee (2144 SE Oak Grove Blvd, Oak Grove, OR 97267) in their iconic blue bus. All are welcome to attend.

### Storm Drain Cleaning Assistance Program

OLWS coordinates the storm drain cleaning assistance discount program to assist area businesses. Storm drains require regular cleaning to remove pollutants and prevent flooding. The discounted flat fee of \$60 covers removal of debris from standard parking lot drains. Registration is open March 1- April 30 at <http://oaklodgewaterservices.org/SCAP>

## **Human Resources**

An update on hiring and recruiting. Our new Jr. Accounting Specialist joined us this month and last month a seasonal intern started in the lab at the Wastewater Treatment Plant. We have also made an offer for the Assistant District Engineer position and hope to have the individual start next month.

We are still following and tracking all developments and administrative rules for the upcoming Paid Leave Oregon program. We joined our name to a joint letter to BOLI from many local governmental entities. This letter asks for further clarification on the intersection between different types of leave such as FMLA and OFLA and how they interact with topping off an employee's pay while on paid leave Oregon by allowing them to supplement any lost income by using accrued sick or vacation leave.

## **Miscellaneous**

Heavy rains in the past few months have caused a leak in the roof at the Technical Services building. We have found a vendor to make a small fix for under \$5,000, but unfortunately that will only go so far. We had the roof inspected and the flat part of the roof is in poor shape. We are currently working on getting quotes to fully repair and re-seal the flat part of the roof at Technical Services.

## **Attachments**

1. Request for Opinion Letter re Paid Leave Oregon Topping Off for Leave Running Concurrent with the Family Medical Leave Act (FMLA)
2. Thank you letter from Oak Grove Festival Committee
3. Website Analytics



April 4, 2023

Alexa,

Please share our deepest appreciation to the Board and staff for your very generous donation to the 2023 Oak Grove Festival!

Your donation will allow us to keep vendor fees down and improve community involvement and participation.

Thank you so much for your continued support!

A handwritten signature, possibly 'Wendy', is written in black ink. To the right of the signature are two simple heart symbols drawn with the same ink.

The Oak Grove Festival Committee



CITY OF  
**PORTLAND, OREGON**  
OFFICE OF THE CITY ATTORNEY

**Robert Taylor, City Attorney**  
1221 S.W. 4<sup>th</sup> Avenue, Suite 430  
Portland, Oregon 97204  
Telephone: (503) 823-4047  
Fax: (503) 823-3089

March 14, 2023

**VIA EMAIL ONLY**

Jessica Looman  
Principal Deputy Administrator  
U.S. Department of Labor  
Wage and Hour Division  
200 Constitution Avenue, NW, Room S-3502  
Washington, D.C. 20210  
WHDopinionletters@dol.gov

Re: Request for Opinion Letter re Paid Leave Oregon Topping Off for Leave Running  
Concurrent with the Family Medical Leave Act (FMLA)

Dear Administrator Looman:

On behalf of the undersigned Oregon local government jurisdictions and public agencies, we respectfully request that the Department of Labor Wage and Hour Division (“Division”) render an opinion letter addressing an employer’s responsibilities and duties at the intersection of the Oregon Family and Medical Leave Insurance Program, also known as Paid Leave Oregon (“PLO”), which allows eligible employees to access paid family, medical, and safe leave from work starting in September 2023, and the federal Family Medical Leave Act, which allows eligible employees to take unpaid family and medical leave.

Please know that this opinion is not sought by any party, its representative, or any third party acting on its behalf that is currently in an active Division investigation related in any way to this query. Additionally, this opinion is not sought by any party, its representative, or any third party acting on its behalf for use in any litigation initiated prior to the submission of this request.

*Paid Leave Oregon Basics*

In 2019, the Oregon Legislature passed the Family and Medical Leave Insurance Act, which established a program now known as Paid Leave Oregon. The law allows Oregon employees who make at least \$1000 in a year to take up to 12-14 weeks of paid, job-protected leave for three types of leave: (1) medical leave for one’s own serious health condition; (2) family leave to care for a family member or bond with a child; and (3) safe leave (e.g., leave related to domestic violence, stalking, sexual assault, etc.). All Oregon employees making at least \$1,000 a year and experiencing a qualifying life event are eligible for paid leave benefits, regardless of how long they have worked for an employer, their average hours worked, or the size of the employer. Family members for whom an employee may take family leave to care for include any “individual related

by blood or affinity whose close association with a covered individual is the equivalent of a family relationship.”

#### *How Paid Leave Oregon is Funded*

Employees and employers pay into either the state insurance fund for Paid Leave Oregon, or an equivalent plan. By default, under statute, employers pay 40% of 1% of an employee’s salary into the fund or equivalent plan, up to a salary cap of \$132,900; employees pay 60% of 1% of their total salary into the fund or equivalent plan, up to the salary cap. Contributions into the plan for employers and employees paying into the state insurance fund began January 1, 2023.

#### *How Paid Leave Oregon is Paid*

For employees paying into the state insurance fund, the Oregon Employment Department pays the leave benefit when an employee goes out on PLO qualifying leave and applies for benefits from the state fund. If the employee’s average weekly wage is equal to or less than 65% of the state average weekly wage, the weekly benefit amount is 100% of the employee’s average weekly wage. If the employee’s average weekly wage is greater than 65% of the state average weekly wage, the weekly benefit amount is the sum of: 65% of the state average weekly wage plus 50% of the employee’s average weekly wage that is greater than 65% of the state average weekly wage. The maximum weekly benefit under Paid Leave Oregon is 120% of the state average weekly wage. In 2023, the designated state average weekly wage is \$1,224.82; as such, the maximum benefits that can be paid under PLO in 2023 are \$1,469.78 per week. Employees may begin applying for paid leave benefits on September 3, 2023.

#### *General Conflicts of Law Between Paid Leave Oregon, OFLA, and FMLA*

Over the last three years, the undersigned entities have worked diligently to ensure that our organizations were ready for the implementation of PLO and would be in compliance with each unique intersection between the new law and existing leave laws such as OFLA and FMLA, despite inherent, contradictory compliance obligations. In particular, the undersigned entities have long been aware of the issues related to “stacking” of different protected leave types due to tenure of employment (leave can commence at time of hire for PLO; leave can commence at 30 days/6 months for OFLA depending on the existence of a public health emergency; leave can commence at one year for FMLA), family member type (since each law allows leave for different defined family members), reason for leave (e.g., sick child and bereavement leave’s inclusion in OFLA but exclusion from PLO and FMLA, for instance), and the Employment Department’s 52-week “benefit year” versus an employer’s calendar, rolling or other OFLA/FMLA year.

Through recent discussions with the Oregon Bureau of Labor and Industries, the state administrative agency that has enforcement jurisdiction over the state-equivalent of FMLA—the Oregon Family Leave Act (OFLA)—we learned that another conflict of law has been identified by BOLI. This new intersection is likely to have extraordinary potential impact on all Oregon

March 24, 2023

Page 3 of 6

employers but particularly public entities who already have extremely complex payroll obligations due to retroactivity and other complex pay issues that more frequently arise in multi-unionized environments.

*Is “Topping Off” of PLO benefits Required Under the FMLA?*

As stated above, the maximum weekly benefit under Paid Leave Oregon is 120% of the state average weekly wage, which in 2023 will be \$1,469.78 per week. As such, employees who seek and obtain this benefit who make less than \$76,428.56 will receive 100% income continuation through PLO during their period of leave. Employees who make more than that amount will not receive 100% income continuation through PLO.

Generally, protected leave under PLO, OFLA, and FMLA is required to run concurrently to the maximum extent possible, except where the qualifying event, family member, timing, etc. diverge. Under PLO, employers “may permit” an employee to use paid leave accruals to supplement the insurance benefits provided by the Employment Department during a period of leave, but the employer is not explicitly required to do so and the law does not (unlike FMLA) say that an employer “may require” usage of PTO. ORS 657B.030. Most employers have thus, based on the plain language of the PLO statute, interpreted the “topping off” contemplated in the statute as permissive rather than mandatory.

On February 8, 2023, however, the BOLI began advising that employers must “top off” PLO benefits with an employee’s accrued PTO upon the employee’s request to do so, to the extent that any PLO runs concurrent with OFLA or FMLA.<sup>1</sup>

The rationale given to us for this instruction was because under OFLA and FMLA, an employee is “entitled” to use any accrued paid time off during any period of OFLA or FMLA leave, for “any part” of the leave. *See* 29 USC §2612(D)(2)(a) (“An eligible **employee may elect**, ... to substitute any of the accrued paid vacation leave, personal leave, or family leave of the employee ... **for any part** of the 12-week period of such leave[.]”)(emphasis added); ORS 659A.174(2) (“An employee taking family leave is **entitled to use any paid accrued sick leave or any paid accrued vacation leave during the period of family leave, or to use any other paid leave** that is offered by the employer in lieu of vacation leave during the period of family leave.”)(emphasis added); OAR 839-009-0280 (“An **employee eligible to take OFLA leave is entitled to use** accrued paid sick leave, personal leave, vacation leave or **any other paid leave** that is offered in lieu of vacation leave, **during the period of OFLA leave.**”)(emphasis added).

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<sup>1</sup> BOLI and our respective offices are aware that BOLI does not have enforcement jurisdiction over FMLA claims, as original jurisdiction resides with the U.S. Department of Labor Wage and Hour Division. While BOLI has authority to interpret OFLA, BOLI’s stated oral opinion on FMLA, interpreting analogous statutory sections between the OFLA and FMLA, has no force of law. We appreciate the BOLI advisor’s analysis of the conflict of law seen at the intersection of PLO, OFLA, and FMLA and share their opinion with the DOL for background only.

March 24, 2023

Page 4 of 6

The undersigned entities are requesting assistance in the form of opinion letters from both the BOLI (as to OFLA) and the Division (as to the FMLA) so that we can confirm whether “topping off” of PLO benefits is in fact mandatory or permissive under state and federal law, to the extent the PLO leave is also OFLA and/or FMLA qualifying.

We anticipate that the Division may determine, consistent with other analogous but not directly pertinent regulations, that topping off of PLO benefits is not required under the FMLA when the PLO leave is also FMLA qualifying. For instance, 29 C.F.R. 825.207(d)-(e), Substitution of Paid Leave, contemplates a situation similar to the one presented by PLO, in that where FMLA leave is partially paid by disability insurance coverage or workers compensation, the statutory provision allowing an employee to substitute paid leave accruals for any unpaid time “is inapplicable, and neither the employee nor the employer may require the substitution of paid leave.” *Id.* We believe that this regulation allows the Division to clarify in an opinion letter that where leave is partially paid by any program or plan, including but not limited to Paid Leave Oregon or other state paid leave programs, the statutory provision allowing an employee to substitute paid leave accruals for any unpaid time is inapplicable, and neither the employee nor the employer may require the substitution of paid leave. *See similarly* 29 CFR § 826.70, Leave to Care for a Child due to School or Place of Care Closure or Child Care Unavailability—Intersection of the EFMLEA and the FMLA (exp’d) (noting that because Expanded Family and Medical Leave was not unpaid, “the FMLA provision for substitution of the Employee’s accrued paid leave is inapplicable, and neither the Eligible Employee nor the Employer may require the substitution of paid leave.”).

We want to ensure our forthcoming PLO policies and practices comply with the FMLA ideally no later than three months before PLO benefits begin to be adjudicated by the Oregon Employment Department on September 3, 2023, i.e., June 2, 2023. Any guidance the Division is willing to provide as an official position would be of great value to the undersigned jurisdictions in our compliance efforts. We appreciate your consideration of our request.

Sincerely,

**CITY OF PORTLAND**

**MULTNOMAH COUNTY**

*/s/ Kathryn A. Short*

Anne Milligan  
Deputy City Attorney  
anne.milligan@portlandoregon.gov

Kathryn A. Short  
Deputy County Attorney  
kathryn.a.short@multco.us

**WASHINGTON COUNTY**

**CLACKAMAS COUNTY**

*/s/ Adriana Ortega*

*/s/ Kathleen J. Rastetter*

Adriana Ortega

Kathleen J. Rastetter

Senior Assistant County Counsel adriana_ortega@washingtoncountyor.gov	Senior Assistant County Counsel kathleenras@clackamas.us
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<b>PORT OF PORTLAND</b>	<b>CITY OF BEND</b>
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<i>/s/ Blaise M. Lamphier</i>	<i>/s/ Rob DuValle</i>
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Blaise M. Lamphier Manager, Employee & Labor Relations blaise.lamphier@portofportland.com	Rob DuValle HR Director & Chief People Officer rduvalle@bendoregon.gov
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<b>CITY OF KEIZER</b>	<b>CITY OF REDMOND</b>
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<i>/s/ E. Shannon Johnson</i>	<i>/s/ Keith Leitz</i>
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E. Shannon Johnson City Attorney johnsons@keizer.org	Keith Leitz City Attorney & HR Director keith.leitz@redmondoregon.gov
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<b>OAK LODGE WATER SERVICES</b>	<b>METRO</b>
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<i>/s/ Aleah Binkowski-Burk</i>	<i>/s/ Joyce Wan</i>
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Aleah Binkowski-Burk Human Resources Manager aleah@olwsd.org	Joyce Wan Senior Attorney joyce.wan@oregonmetro.gov
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<b>CITY OF TUALATIN</b>	<b>CITY OF FOREST GROVE</b>
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<i>/s/ Stacy Ruthrauff</i>	<i>/s/ Brenda Camilli</i>
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Stacy Ruthrauff Human Resources Director sruthrauff@tualatin.gov	Brenda Camilli Human Resources Director bcamilli@forestgrove-or.gov
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<b>SPECIAL DISTRICTS ASSOCIATION OF OREGON</b>	<b>EUGENE WATER &amp; ELECTRIC BOARD</b>
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<i>/s/ Mark Landauer</i>	<i>/s/ Lena Kostopulos</i>
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Mark Landauer Mark@mjlconsulting.com	Lena Kostopulos Chief Workforce Officer
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[REDACTED] lena.kostopulos@eweb.org

**CITY OF TIGARD**

**CITYCOUNTY INSURANCE SERVICES**

*/s/ Shelby Rihala*

*/s/ Tamara Russell*

Shelby Rihala  
City Attorney  
shelbyr@tigard-or.gov

Tamara Russell  
Deputy General Counsel  
trussell@cisoregon.org

**CITY OF GRESHAM**

*/s/ Michelle Cole*

Michelle Cole  
Human Resources Director  
michelle.cole@greshamoregon.gov

cc. Commissioner Christina Stephenson, Bureau of Labor & Industries  
Director Karen Madden Humelbaugh, Paid Leave Oregon



## Website Analytics

OLWS launched a new website in Fall 2022 to make it easier for customers to find the information they need (i.e. Pay Bill, Contact Us, etc). Below is the website traffic between September 1, 2022 – March 15, 2023.

<b>Page Views:</b> Pageviews is the total number of pages viewed. Repeated views of a single page are counted.	31,313 Pageviews
<b>Unique Pageviews:</b> Pageviews is the total number of pages viewed. Repeated views of a single page are counted.	25,587 Unique Pageviews
<b>Ave. Time of the Page:</b> The average amount of time users spent viewing a specified page or screen, or set of pages or screens.	1 min 39 secs

Here are the top 10 pages users are visiting most often between September 1, 2022 – March 15, 2023.

Homepage	16,761 pageviews
Contact Us	1,176 pageviews
Services	863 pageviews
Bids and RFPs	636 pageviews
About Us	549 pageviews
Staff	472 pageviews
Permits	367 pageviews
Meetings	355 pageviews
Planning and Engineering	347 pageviews
Rates and Charges	346 pageviews



Here is a look at a single month from February 1 – February 28, 2023.

<b>Pageviews:</b> Pageviews is the total number of pages viewed. Repeated views of a single page are counted.	4,833 Pageviews
<b>Unique Pageviews:</b> Pageviews is the total number of pages viewed. Repeated views of a single page are counted.	3,876 Unique Pageviews
<b>Ave. Time of the Page:</b> The average amount of time users spent viewing a specified page or screen, or set of pages or screens.	1 min 34 secs

Here are the top 10 pages users are visiting most often between February 1 – February 28, 2023.

Homepage	2,637 pageviews
Contact Us	239 pageviews
Bids & RFPs	195 pageviews
Services	135 pageviews
Staff	104 pageviews
About Us	102 pageviews
Board of Directors	88 pageviews
Board of Directors Meetings	81 pageviews
Permits	76 pageviews
Planning and Engineering	73 pageviews



## STAFF REPORT

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**To** Board of Directors  
**From** Gail Stevens, Finance Director  
**Title** Finance Department Monthly Report  
**Item No.** 7c  
**Date** April 18, 2023

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### Summary

The Board has requested updates at regular meetings on the status of the OLWS operations.

### Highlights of the Month

- Transition to the Authority financial software with Springbrook Monday, March 6, 2023.
- The Low-Income Household Water Assistance program began in July 2022, and we have received 16 approvals from Clackamas County as of April 7, 2023.
- The Accounts Receivable balance increased by 4.08%, the average delinquent balance decreased by (\$32.40), and the number of delinquent accounts decreased by 107.
- Utility bill payments in March were less than the February 28th billed amounts.

### Authority Implementation

As of Monday, March 6, 2023, the new Authority financial database went live. All utility billing payments are now deposited to the Authority's bank account. While we have transitioned to the new financial database for the Authority, there are still checks/payments that have been issued from the District's account as we continue to close out the District's books.

In addition to the conversion of the utility billing payment deposits, the following transitions have occurred:

- OLWS Local Government Investment Pool (LGIP) account has been updated to the Authority's name.
- OLWS Public Employees Retirement System (PERS) account has been updated to the Authority's name.

There will continue to be some crossover reporting and tracking, overall, the conversion continues to be smooth and successful.

## Low Income Household Water Assistance (LIHWA)

In 2022, Clackamas County Board of Commissioners partnered with Oak Lodge Water Services to provide water utility customers assistance through the Low-Income Household Water Assistance (LIHWA) program. Clackamas County continues to provide customers from Oak Lodge Water Services assistance and will continue while funds are still available. As of April 07, 2023, sixteen (16) customers have been approved for assistance totaling \$10,754.

## Accounts Receivable Review

The Accounts Receivable (A/R) balances as of March 31, 2023, compared to February 28, 2023, increased by 4.08%. These are the findings:

1. A/R Balance owed to OLWS has increased by \$61,239, after accounting for the delta between billing cycles.

<b>A/R Balance</b>	<b>1/31/2023</b>	<b>2/28/2023</b>	<b>3/31/2023</b>
Bi-Monthly Residential	\$ 841,526	\$ 1,006,657	\$ 910,577
Large Meters	544,576	492,907	486,222
<b>Total</b>	<b>1,386,102</b>	<b>1,499,564</b>	<b>1,396,799</b>
<b>Variance</b>	<b>(128,099)</b>	<b>113,462</b>	<b>(102,765)</b>
<b>Billing Cycle Variance</b>	<b>104,229</b>	<b>(103,700)</b>	<b>164,004</b>
	<b>(23,869)</b>	<b>9,762</b>	<b>61,239</b>
	<b>-1.58%</b>	<b>0.70%</b>	<b>4.08%</b>

2. The total number of delinquent accounts decreased by 107 accounts as of March 31, 2023, compared to February 28, 2023. The average balance per account decreased by (10.1%) or (\$32.40).

	<b>01/31/2023</b>	<b>2/28/2023</b>	<b>3/31/2023</b>
Delinquent Accounts Over 60 Days	\$ 171,133	\$ 172,512	\$ 124,134
Number of Accounts	530	535	428
Average Balance per Acct.	\$ 323	\$ 322	\$ 290
	-1.8%	-0.1%	-10.1%

3. The percentage of accounts that are current, accounts paid in full within 30 days, has decreased by (4.27%) compared to prior month. The shift is from current to all other categories, mainly the 30-60 day grace category.

<b>Account %</b>	<b>1/31/2023</b>	<b>2/28/2023</b>	<b>3/31/2023</b>
Current	85.70%	90.67%	86.40%
30-60 Day Grace	5.41%	0.42%	7.14%
Delinquent	5.86%	5.92%	4.73%
Credit Balance	3.03%	2.99%	1.73%

Each month, OLWS hangs red tags for accounts in delinquent status, over 60 days past due, and with a balance over \$250. The red tag process allows 7 days for the customer to provide payment. If payment is not received, water is then shut off.

	<b>December 2022</b>	<b>January 2023</b>	<b>February 2023</b>	<b>March 2023</b>
Cycle	Cycle 2	Cycle 1	Cycle 2	Cycle 1
# Red Tags	88	88	86	86
Minimum Delinquent Balance	\$ 250	\$ 250	\$ 250	\$ 250
# Shut off Service Requests	9	4	2	6

### **Billing Payment Rate**

In March 2023, OLWS received \$53,622 less in payments than was billed on February 28, 2023.

	<b>December 2022</b>	<b>January 2023</b>	<b>February 2023</b>	<b>March 2023</b>
Utility Billing Sales	\$ 1,145,216	\$ 1,263,108	\$ 1,158,879	\$ 1,262,580
Cash Receipts	1,166,110	1,288,409	1,132,589	1,208,958
% Collected	101.8%	102.0%	97.73%	95.80%

### **Attachments**

1. Checks by Date Report for March 2023

Bank Reconciliation  
 Checks by Date  
 User: Antonio  
 Printed:  
 Cleared and Not Cleared Checks  
 Print Void Checks

**ACH Disbursement Activity**

Check No.	Check Date	Name	Comment	Module	Void	Clear Date	Amount
0	3/10/2023	Internal Revenue Service		AP			30,833.75
0	3/10/2023	Nationwide Retirement Solutions		AP			860.00
0	3/10/2023	Oregon Department Of Revenue		AP			9,828.80
0	3/10/2023	State of Oregon Savings Growth Plan		AP			3,536.00
0	3/10/2023	VALIC c/o JP Morgan Chase		AP			1,680.44
0	3/10/2023	Payroll Direct Deposit	DD 00001.03.2023	PR			75,416.39
0	3/22/2023	Payroll Direct Deposit	DD 00002.03.2023	PR			77,935.29

**ACH Disbursement Activity Subtotal**

**200,090.67**

**Voided ACH Activity**

**0.00**

**Adjusted ACH Disbursement Activity Subtotal**

**200,090.67**

**Paper Check Disbursement Activity**

Check No.	Check Date	Name	Comment	Module	Void	Clear Date	Amount
50001	3/10/2023	Dr. Lance F. Harris D.C.		AP			100.00
50002	3/10/2023	Governmentjobs.com, Inc.		AP			5,931.18
50003	3/10/2023	Metropolitan Utility Coordinating Council		AP			150.00
50004	3/10/2023	Minuteman Press Gresham		AP			147.99
50005	3/10/2023	Oregon Association of Water Utilities		AP			495.00
50006	3/10/2023	Streamline		AP			480.00
50007	3/10/2023	TMG Services, Inc.		AP			82.82
50008	3/17/2023	AFSCME Council 75		AP			807.07
50009	3/17/2023	BMS Technologies		AP			7,537.52
50010	3/17/2023	Cintas Corporation		AP			365.37
50011	3/17/2023	Comcast		AP			557.75
50012	3/17/2023	Convergence Networks		AP			8,067.90
50013	3/17/2023	Cues, Inc		AP			184,889.00
50014	3/17/2023	Department of Environmental Quality		AP			9.60
50015	3/17/2023	GT Excavating, LLC		AP			4,830.00
50016	3/17/2023	H.D. Fowler Company		AP			17,461.36
50017	3/17/2023	Employee Reimbursement		AP			179.41
50018	3/17/2023	NCCWC		AP			2,226.11
50019	3/17/2023	Seattle Ace Hardware		AP			84.95
50020	3/17/2023	Employee Reimbursement		AP			94.26
50021	3/17/2023	Unifirst Corporation		AP			1,232.32
50022	3/17/2023	Verizon Wireless		AP			61.24
50023	3/17/2023	Waste Management Of Oregon		AP			150.94
50024	3/17/2023	Wesco Marketing		AP			1,444.50
50025	3/17/2023	Employee Reimbursement		AP			156.50
50026	3/24/2023	A and A Drilling Service, Inc		AP			1,350.00
50027	3/24/2023	Aerzen Rental USA LLC		AP			3,340.00
50028	3/24/2023	AFLAC		AP			808.33
50029	3/24/2023	AFSCME Council 75		AP			807.07
50030	3/24/2023	AnswerNet		AP			758.42
50031	3/24/2023	BTL Northwest		AP			227.52
50032	3/24/2023	Cessco, Inc		AP			597.00
50033	3/24/2023	Consolidated Supply Co.		AP			4,175.34
50034	3/24/2023	H.D. Fowler Company		AP			25,974.81
50035	3/24/2023	Milwaukie Lumber Company		AP			22.99
50036	3/24/2023	Northstar Chemical, Inc.		AP			995.90
50037	3/24/2023	Pacific Power Group, LLC		AP			508.19
50038	3/24/2023	Pamplin Media Group		AP			41.81
50039	3/24/2023	Portland Engineering Inc		AP			50,520.00
50040	3/24/2023	Quadient Leasing USA, Inc.		AP			296.22
50041	3/24/2023	Employee Reimbursement		AP			803.71
50042	3/24/2023	Employee Reimbursement		AP			81.46
50043	3/31/2023	APWA		AP			229.00
50044	3/31/2023	Backflow Management Inc.		AP			75.00
50045	3/31/2023	Buels Impressions Printing		AP			49.00
50046	3/31/2023	Customer Refund		AP			82.97
50047	3/31/2023	CenturyLink		AP			448.68
50048	3/31/2023	CenturyLink		AP			83.87
50049	3/31/2023	Cintas Corporation - 463		AP			71.27
50050	3/31/2023	Contractor Supply, Inc.		AP			415.00

Bank Reconciliation  
 Checks by Date  
 User: Antonio  
 Printed:  
 Cleared and Not Cleared Checks  
 Print Void Checks

50051	3/31/2023	Customer Refund	AP	4.35
50052	3/31/2023	Customer Refund	AP	3.35
50053	3/31/2023	D&H Flagging, Inc.	AP	4,000.81
50054	3/31/2023	Dr. Lance F. Harris D.C.	AP	100.00
50055	3/31/2023	EJ USA, Inc.	AP	3,630.00
50056	3/31/2023	Customer Refund	AP	272.62
50057	3/31/2023	H.D. Fowler Company	AP	2,495.87
50058	3/31/2023	Hall Tool Company	AP	40.65
50059	3/31/2023	Customer Refund	AP	98.03
50060	3/31/2023	HealthEquity	AP	46.25
50061	3/31/2023	Historic Downtown Oak Grove	AP	1,000.00
50062	3/31/2023	J. Thayer Company	AP	769.84
50063	3/31/2023	Kaiser Permanente	AP	17,290.12
50064	3/31/2023	Les Schwab	AP	1,427.71
50065	3/31/2023	Customer Refund	AP	184.51
50066	3/31/2023	Madison Biosolids, Inc.	AP	1,518.74
50067	3/31/2023	Napa Auto Parts	AP	113.99
50068	3/31/2023	Customer Refund	AP	156.04
50069	3/31/2023	Customer Refund	AP	98.26
50070	3/31/2023	Customer Refund	AP	8.68
50071	3/31/2023	Polydyne, Inc.	AP	4,142.07
50072	3/31/2023	SDIS	AP	34,255.71
50073	3/31/2023	Seattle Ace Hardware	AP	162.96
50074	3/31/2023	Customer Refund	AP	1.24
50075	3/31/2023	Stark Street Lawn and Garden	AP	381.09
50076	3/31/2023	Tritech Software Systems	AP	19,195.42
50077	3/31/2023	Verizon Wireless	AP	2,394.57
50078	3/31/2023	Customer Refund	AP	51.87
50079	3/31/2023	Customer Refund	AP	171.31
48844	2/10/2023	Dr. Lance F. Harris D.C.	AP Void	100.00
48932	3/2/2023	AFLAC	AP	1,634.73
48933	3/2/2023	Apex Labs	AP	2,625.00
48934	3/2/2023	Employee Reimbursement	AP	322.08
48935	3/2/2023	Brown and Caldwell	AP	25,734.50
48936	3/2/2023	Bullard Law	AP	1,898.00
48937	3/2/2023	Cable Huston LLP	AP	11,502.00
48938	3/2/2023	CenturyLink	AP	775.68
48939	3/2/2023	CenturyLink	AP	92.13
48940	3/2/2023	Employee Reimbursement	AP	29.00
48941	3/2/2023	Cintas Corporation	AP	576.57
48942	3/2/2023	Cintas Corporation - 463	AP	71.27
48943	3/2/2023	City Of Gladstone	AP	242.88
48944	3/2/2023	Clackamas County	AP	10,259.39
48945	3/2/2023	Customer Refund	AP	1.24
48946	3/2/2023	HealthEquity	AP	46.25
48947	3/2/2023	Horner Enterprises, Inc.	AP	4,922.77
48948	3/2/2023	IntelliCorp Records, Inc.	AP	92.95
48949	3/2/2023	J. Thayer Company	AP	741.32
48950	3/2/2023	Kaiser Permanente	AP	16,108.57
48951	3/2/2023	Employee Reimbursement	AP	377.06
48952	3/2/2023	Employee Reimbursement	AP	222.00
48953	3/2/2023	Pamplin Media Group	AP	39.18
48954	3/2/2023	Portland General Electric	AP	563.85
48955	3/2/2023	RH2 Engineering, Inc.	AP	9,520.21
48956	3/2/2023	Robert HalfTalent Solutions	AP	7,087.46
48957	3/2/2023	SDIS	AP	32,861.21
48958	3/2/2023	Springbrook Holding Company LLC	AP	283.50
48959	3/2/2023	True North Emergency Equipment	AP	18,647.00
48960	3/2/2023	Unifirst Corporation	AP	3,784.32
48961	3/2/2023	Verizon Wireless	AP	2,540.65
48962	3/2/2023	Western Exterminator Company	AP	484.10
48963	3/2/2023	Customer Refund	AP	931.08
48964	3/2/2023	Xerox Corporation	AP	27.44
48965	3/10/2023	Cavanaugh & Associates. PA	AP	6,535.47
48966	3/10/2023	City Of Gladstone	AP	5,901.17
48967	3/10/2023	Comcast	AP	663.12
48968	3/10/2023	Craig Blackman Trucking	AP	10,862.11

Bank Reconciliation  
 Checks by Date  
 User: Antonio  
 Printed:  
 Cleared and Not Cleared Checks  
 Print Void Checks

48969	3/10/2023	Multiplier	AP	500.00
48970	3/10/2023	NCCWC	AP	66,439.47
48971	3/10/2023	Net Assets Corporation	AP	440.00
48972	3/10/2023	Norlift of Oregon, Inc	AP	1,529.00
48973	3/10/2023	Northwest Natural	AP	849.94
48974	3/10/2023	O'Reilly Auto Parts	AP	54.92
48975	3/10/2023	Pamplin Media Group	AP	72.10
48976	3/10/2023	Portland Engineering Inc	AP	180.00
48977	3/10/2023	Reds Electric Company Inc	AP	2,702.90
48978	3/10/2023	Seattle Ace Hardware	AP	59.57
48979	3/10/2023	Waste Management Of Oregon	AP	210.39
48980	3/10/2023	Xerox Corporation	AP	25.50
48981	3/17/2023	A Worksafe Service, Inc.	AP	57.00
48982	3/17/2023	Batteries Plus	AP	22.50
48983	3/17/2023	Cascadia Backflow	AP	765.88
48984	3/17/2023	Coastal Farm & Home Supply	AP	226.56
48985	3/17/2023	Consolidated Supply Co.	AP	3,653.12
48986	3/17/2023	Contractor Supply, Inc.	AP	495.91
48987	3/17/2023	D&H Flagging, Inc.	AP	4,411.65
48988	3/17/2023	H.D. Fowler Company	AP	67,633.98
48989	3/17/2023	Metro Overhead Door, Inc.	AP	280.00
48990	3/17/2023	Mueller Co	AP	1,969.80
48991	3/17/2023	Olson Bros. Service, Inc.	AP	2,032.47
48992	3/17/2023	Relay Resources	AP	7,052.97
48993	3/17/2023	Seattle Ace Hardware	AP	67.36
48994	3/17/2023	Slayden Constructors	AP	6,612.93
48995	3/17/2023	Stein Oil Co Inc	AP	445.29
48996	3/17/2023	Tice Electric Company	AP	3,698.60
48997	3/17/2023	Unifirst Corporation	AP	630.40
48998	3/17/2023	Wallis Engineering PLLC	AP	3,156.53
48999	3/17/2023	Waste Management Of Oregon	AP	1,162.30
49000	3/24/2023	CDR Labor Law, LLC	AP	32,561.85
49001	3/24/2023	City Of Milwaukie	AP	333.60
49002	3/24/2023	FLO-Analytics	AP	1,176.25
49003	3/24/2023	Pro-Pipe, Inc	AP	23,468.50
49004	3/24/2023	Water Systems Consulting, Inc.	AP	66,205.85
49005	3/31/2023	BMS Technologies	AP	5,704.66
49006	3/31/2023	Cable Huston LLP	AP	35,339.00
49007	3/31/2023	Consolidated Supply Co.	AP	14,325.32
49008	3/31/2023	D&H Flagging, Inc.	AP	500.00
49009	3/31/2023	J. Thayer Company	AP	1,162.91
49010	3/31/2023	One Call Concepts, Inc.	AP	511.02
49011	3/31/2023	Portland Engineering Inc	AP	7,153.00
49012	3/31/2023	Stark Street Lawn and Garden	AP	796.76
49013	3/31/2023	West Coast Wire Rope & Rigging Inc	AP	1,377.00
<b>Paper Check Disbursement Activity Subtotal</b>				<b>971,484.43</b>
<b>Voided Paper Check Disbursement Activity</b>				<b>100.00</b>
<b>Adjusted Paper Check Disbursement Activity Subtotal</b>				<b>971,384.43</b>

Total Void Check Count:	1
Total Void Check Amount:	100.00
Total Valid Check Count:	168
Total Valid Check Amount:	1,171,475.10
Total Check Count:	169
Total Check Amount:	1,171,575.10



## STAFF REPORT

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**To** Board of Directors  
**From** Brad Albert, Public Works Director/District Engineer  
**Title** Technical Services Monthly Report  
**Item No.** 7d  
**Date** April 18, 2023

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### Summary

The Board has requested updates at regular meetings on the status of the OLWS operations.

### Highlights

- Wastewater Master Plan is finalized and adopted.
- Compiling the FY24 CIP project list for upcoming budget consideration.
- Data analysis of flow monitors in Lift Station 5 basin area.
- 28<sup>th</sup> Avenue Loop water main replacement design review.

### Watershed Protection

Spring rains brought fewer customer calls than expected, and the OLWS staff team was able to respond to customers during work hours. Staff removed beaver dams in Stringfield Park both as a proactive response to the storm calls and in response to a request from the Clackamas County Department of Transportation and Development. While Stringfield Park is currently holding less water than usual due to the decreased dam size, there is a good chance beaver dams will be built back up before the end of spring so that the park will feature habitat for wildlife in the spring and summer months.

Beaver dam removal has been a topic of customer concern – on both sides of the issue. There have been several customer meetings in the field to discuss flooding with regards to weather events and beaver dam removal. OLWS staff hear multiple perspectives and work to balance the needs of customers against the variety of challenges faced by the community. Other aspects include requirements of the Municipal Separate Storm Sewer System (MS4) permit to clean pipes and catch basins.

When the collections team has to spend time on beaver dam removal, it directly impacts the amount of work they are able to complete with catch basin inspections and cleaning. This is an ongoing staff challenge for the collections team. Their workload continues to be very high and staff have been working to meet all of the demands of their positions.



Before the end of FY23, the collections team must inspect Zone 1 pipes and catch basins in compliance with the MS4 Permit, and clean the storm system pipes, catch basins, and pollution control manholes. Each “Zone” comprises roughly 20% of the OLWS maintained, county-owned storm system. OLWS is required to clean catch basins and pipes when they are filled with eight inches or more of dirt/sediment/trash; detention pipes will be vactored when more than 20% of the pipe volume is filled with accumulated sediment. If the catch basin and pipes are in need of repair as shown from the inspection, OLWS informs the County of the necessary repairs. The County will then perform the repairs at their discretion and timeline. From the OLWS Stormwater Management Program, the following illustrates the Operations and Maintenance Best Management Practices commitment to the MS4 Permit:

Category F - Pollution Prevention and Good Housekeeping for Municipal Operations BMPs		
OM-5: Public Stormwater System Cleaning and Maintenance	OLWS BMP Number	OM-5
	OLWS BMP Name	Public Stormwater System Cleaning and Maintenance
	BMP Implementation Responsibility	Clackamas County DTD and OLWS Maintenance and Operations Staff
	Reference Document(s)	<ul style="list-style-type: none"> <li>• Memorandum of Understanding between Clackamas County and Oak Lodge Sanitary District (2013)</li> <li>• Zone Map</li> <li>• Vegetated Stormwater Facility Inspection SOP</li> </ul>
	Permit Year	Ongoing
	BMP Description	<p>OLWS's stormwater conveyance system includes storm pipe, culverts, catchbasins, pollution control manholes, public water quality facilities, and open channel ditches. The OLWS maintains a memorandum of understanding (MOU) with Clackamas County, implemented through the Department of Transportation and Land Development (DTD) to conduct maintenance on the OLWS's stormwater conveyance system, specifically pipes, catch basins, and pollution control manholes in accordance with frequencies and schedules outlined in the MOU.</p> <p>OLWS inspects approximately 20% of the public stormwater pipes, catchbasins, and pollution control manholes annually, consistent with the street sweeping schedule. OLWS inspects at least 20% of public water quality facilities annually in accordance with the OLWS Vegetated Stormwater Facility Inspection Standard Operating Procedure (SOP). Facilities are inspected for accumulated sediment and debris, indication of illegal dumping and disposal in the facility, and any broken or non-functioning structures in need of repair and/or replacement.</p> <p>Maintenance is conducted concurrent with system inspections and includes the removal of sediment, trash, and debris and replacement of vegetation, as necessary. Established maintenance thresholds are as follows: catchbasins and pollution control manhole sumps will be vactored when the sump has eight inches or more of dirt/sediment/trash accumulation; detention pipes will be vactored out when more than 20% of the volume is taken up with accumulated sediment; material disposal for public storm system cleaning is put into a wet decant facility, located on OLWS property (see BMP OM-9).</p> <p>Per the MOU, OLWS responds to routine service needs and routes service requests to DTD if they require emergency response.</p> <p>The OLWS uses Lucity, a database management tool, for tracking and work orders of scheduled maintenance activities.</p>

**Permit Activity**

**March 2023 Development Activity**

<b>FY2022-2023</b>	<i>This Month</i>	<i>Last Month</i>	<i>Fiscal Year-to-Date</i>	<i>This Month Last Year</i>	<i>Last Year-to-Date</i>
<b>Pre-applications Conferences</b>	0	3	16	3	12
<b>New Erosion Control Permits</b>	5	0	20	5	25
<b>New Development Permits</b>	0	0	6	0	14
<b>New Utility Permits</b>	4	3	49	6	35
<b>Wastewater Connections</b>	0	3	8	0	11
<b>Sanitary SDC Fees Received</b>	\$0	\$15,495	\$41,320.00	\$0.00	\$56,815
<b>Water SDC Fees Received</b>	\$33,989	\$67,976	\$243,586.00	\$0.00	\$128,449
<b>Plan Review Fees Received</b>	\$6,724	\$2,511	\$20,685.75	\$1,770.00	\$21,573
<b>Inspection Fees Received</b>	\$4,168	\$3,024	\$15,369.40	\$1,550.00	\$16,873

**Attachments**

1. Development Tracker

<i>Project Status</i>	<i>Address</i>	<i>Type of Development</i>	<i>Notes</i>	<i>Last Updated</i>
Warranty Period	13505 SE River Rd.	Residential: Rose Villa Phase 4 Medical Building and Replace Dwelling Units	Final Inspections Completed. Next step: asbuilt review and bond release.	3/1/23
Under Construction	4410 SE Pinehurst Ave.	Residential: 17-lot Subdivision	Final Inspections Pending. Next step: asbuilt review and bond release.	3/1/23
Under Construction	15603 SE Ruby Dr.	Residential: 3-lot Partition	OLWS Inspections Occuring	3/1/23
Under Construction	6364 SE McNary Rd.	Residential: 15-lot Partition	Final Inspections Pending. Next step: asbuilt review and bond release.	3/1/23
Under Construction	2316 SE Courtney Ave.	Residential: 14 rowhomes and 6 single family dwellings	OLWS Inspections Occuring	3/1/23
Under Construction	4322 SE Pinehurst Ave.	Residential: 7-lot Subdivision	OLWS Inspections Occuring	3/1/23
Under Construction	15515 SE Wallace Rd.	Residential: 2-lot Partition	OLWS Inspections Occuring	3/1/23
Under Construction	21E11AB01100 (SE River Rd. @ SE Maple St)	Residential: 7-lot Subdivision	OLWS Inspections Occuring	3/1/23
Plan Review	3870 SE Hillside Dr.	Residential: Modification of previously approved 13-lot Subdivision	Current OLWS Review	3/1/23
Plan Review	3421 SE Vineyard Rd.	Residential: Two tri-plexes and one duplex	Current OLWS Review	3/1/23
Plan Review	16103 SE Southview Ave	Residential: 7-lot Subdivision	Current OLWS Review	3/1/23
Plan Review	13822 SE Oatfield Rd	Residential: 10-lot Subdivision	Current OLWS Review	3/1/23
Land Use Application	3811 SE Concord Rd	Tenant Improvement: Concord School	Land Use conditions sent to CC DTD. County land use expiration timeline.	3/1/23
Land Use Application	15510 SE Wallace Rd.	Residential: 15-lot Partition	Land Use conditions sent to CC DTD. County land use expiration timeline.	3/1/23
Pre-Application	15014 SE Woodland Way	Residential: 2-lot Partition	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	3/1/23
Pre-Application	5314 SE Jennings Ave.	Residential: 4-lot Partition	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	3/1/23
Pre-Application	14018 SE Linden Ln.	Residential: TriPlex	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	3/1/23
Pre-Application	6300 SE Roethe Rd.	Residential: 2-lot Partition	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	3/1/23
Pre-Application	4833 SE Glen Echo Ave.	Residential: 2-lot Partition	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	3/1/23
Pre-Application	15315 SE Woodland Way	Residential: 2-lot Partition	Pre-app Comments sent to CCDDTD. County land use expiration timeline.	3/1/23



## STAFF REPORT

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**To** Board of Directors  
**From** Brad Albert, Public Works Director/District Engineer  
Chad Martinez, Field Operations Supervisor (Wastewater)  
**Title** Utility Operations Monthly Report  
**Item No.** 7e  
**Date** April 18, 2023

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### Summary

The Board has requested updates at regular meetings on the status of the OLWS operations.

### Highlights of the Month

- The collections crew and water distribution crew worked together to pothole utilities for the Jennings Avenue project.
- Received preliminary engineering on the Willamette View water meter replacement project.
- Large water meter testing at the Valley View Reservoir.

### Collection Work

The collections crew is currently working towards finishing up basin 2C (Roethe, McLoughlin, Naef, Oatfield boundary area). Part of 2C was a night job flagging project to clean and video McLoughlin from Vineyard to Roethe. Hydrojetting for 2C is complete, what is left to close out 2C is videoing less than 1000 feet of difficult to access easement work. We plan on utilizing the recently purchased CUES easement dolly.

The CUES TV Truck was retrofitted March 6-10<sup>th</sup>, onsite training was done with all collections staff. Further necessary field training will be scheduled within this quarter.

OLWS experienced a sanitary sewer overflow (SSO) at Lift Station 2. The SSO took place on March 13<sup>th</sup>, from 12:49pm to 6:09pm with an estimated 180,000 gallons of raw sewage being released into the Willamette River. This bypass took place due to high flows from a heavy rain event, which overwhelmed the Lift Station. The SSO was reported to DEQ as well as the Oregon Emergency Response System (OERS), along with posts on Oak Lodge Water Service Authority's website, social media, and sent to our SSO interested parties list.

### **Watershed Protection Work**

Collections staff has worked together to remove beaver dams once again to prevent residential flooding before high rain events. We are also working on recording catch basin debris amounts on zone maps to better plan catch basin cleaning.

### **Water Distribution System Work**

The water crew potholed and investigated construction conflicts with the Clackamas County Jennings Avenue project. This work was coordinated with Clackamas County as other franchise utility providers are working in this area as well. Conflicts were identified and OLWS infrastructure will be relocated prior to the start of the Jennings project.

Cavanagh and Associates were onsite at the Valley View Reservoir to test the 24" and 16" large meters. OLWS tests these meters to make sure they are accurately accounting for used water in the system. These meter readings are also supplied to the NCCWC for water purchase. OLWS is awaiting the results of the testing and will evaluate if further action is needed.

### **Non-Revenue Water**

The total water purchased in March was 62.33 MG. Non-revenue water totaled 11.88 MG with 1.05 million gallons in apparent losses, 10.17 million gallons in real losses, and 658,000 gallons for unbilled authorized consumption. The trailing twelve-month non-revenue water trend indicates the average non-revenue water over the past 12 months is 10.21 million gallons.

Wastewater



Night TV Inspection on McLaughlin



Inside TV Van for Inspection



**Water**



24" Water Meter Test



16" Water Meter Test



## STAFF REPORT

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**To** Board of Directors  
**From** David Hawkins, Plant Superintendent  
**Title** Plant Operations Monthly Report  
**Item No.** 7f  
**Date** April 18, 2023

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### Summary

The Board has requested updates at regular meetings on the status of the OLWS operations.

### Highlights of the Month

- Rental Blower Failure
- Digester Update
- Aeration Blower #4 and Process Blower #2 Installation
- PGE Generator Retrofit

### Wastewater Treatment Plant

As part of the Neuros process control blower upgrade, OLWS had to bring in a rental blower during construction to ensure that the digesters were getting plenty of air to avoid odor complaints, as well as meeting the biosolids permit. During the early hours of March 3rd, this rental blower suddenly failed. Upon inspection by the operators at the Wastewater Treatment Plant (WWTP), a failed seal inside the first stage of the blower was found leading to an oil leak. Staff immediately got hold of Aerzen Rentals, the company who supplied the rental blower, and started looking for potential fixes.

After a few hours of troubleshooting over the phone, it was determined that the blower had indeed blown the first stage and would need to be replaced. Aerzen found a replacement stage located in Illinois, as well as a technician who could fix it located in Georgia. Within 24 hours, both the blower parts as well as the technician were on scene. Operators worked with the Technician over the next couple of days, putting in a 13-hour shift followed by a 12-hour shift on Saturday and Sunday, respectively. By late Sunday evening, the blower was back online. Due to the quick action of the OLWS operators and Aerzen, the digester system was no worse for the wear.

As mentioned in last month's report, the draining of Digester #1 was well underway to replace the broken clamp that is due on site sometime in April. Unfortunately, with the failure of the



previously mentioned rental blower and no air being delivered to the latter half of the digester train, Digester #1 had to be placed back online to avoid any potential for biosolids violations. While this is inevitably a step backwards, OLWS was lucky enough to have the added room from Digester #1 being lowered to store the sludge and avoid any issues. Staff will have to head back to the drawing board for the clamp replacement.

Work began on the replacement of Aeration blower #4 in the month of March. The replacement of blower #4 was started in early March, with the contractors from Slayden decommissioning the old K-Turbo, the new pad being poured to fit the new Aerzen blower, and finally the installation of the blower later in the month. Staff are hopeful that Aerzen will be on site in the next month or so for the startup, so the new blower can be placed into service.

R. L. Reimers, the contractor chosen for the Process blower #2 install, started their work in late March. By the end of the month, the contractors had decommissioned the old Neuros blower, the new pad had been poured, and the new Aerzen D19S blower was being set.

OLWS was informed in late 2022 that the Air Quality Permit for the WWTP emergency generator was going to be seeing some changes in 2023. These legislative changes were made to cut down on emissions from large diesel engines. Since Portland General Electric (PGE) owns the generator, they were on site in the month of March to get bids for the retrofits. These retrofits will include the addition of a Diesel Exhaust Fluid (DEF) system as well as an upgraded exhaust system designed to keep exhaust emissions lower.

### **Attachments**

1. Photo Pages of March 2023 Work
2. Rainfall vs. Flow Data Correlation for October 2022-March 2023
3. Plant Performance BOD-TSS Graph for October 2022-March 2023

**Plant Operations Photo Page**



Aeration blower #4 Aerzen Install.



New Pad Poured for Process Blower #2.



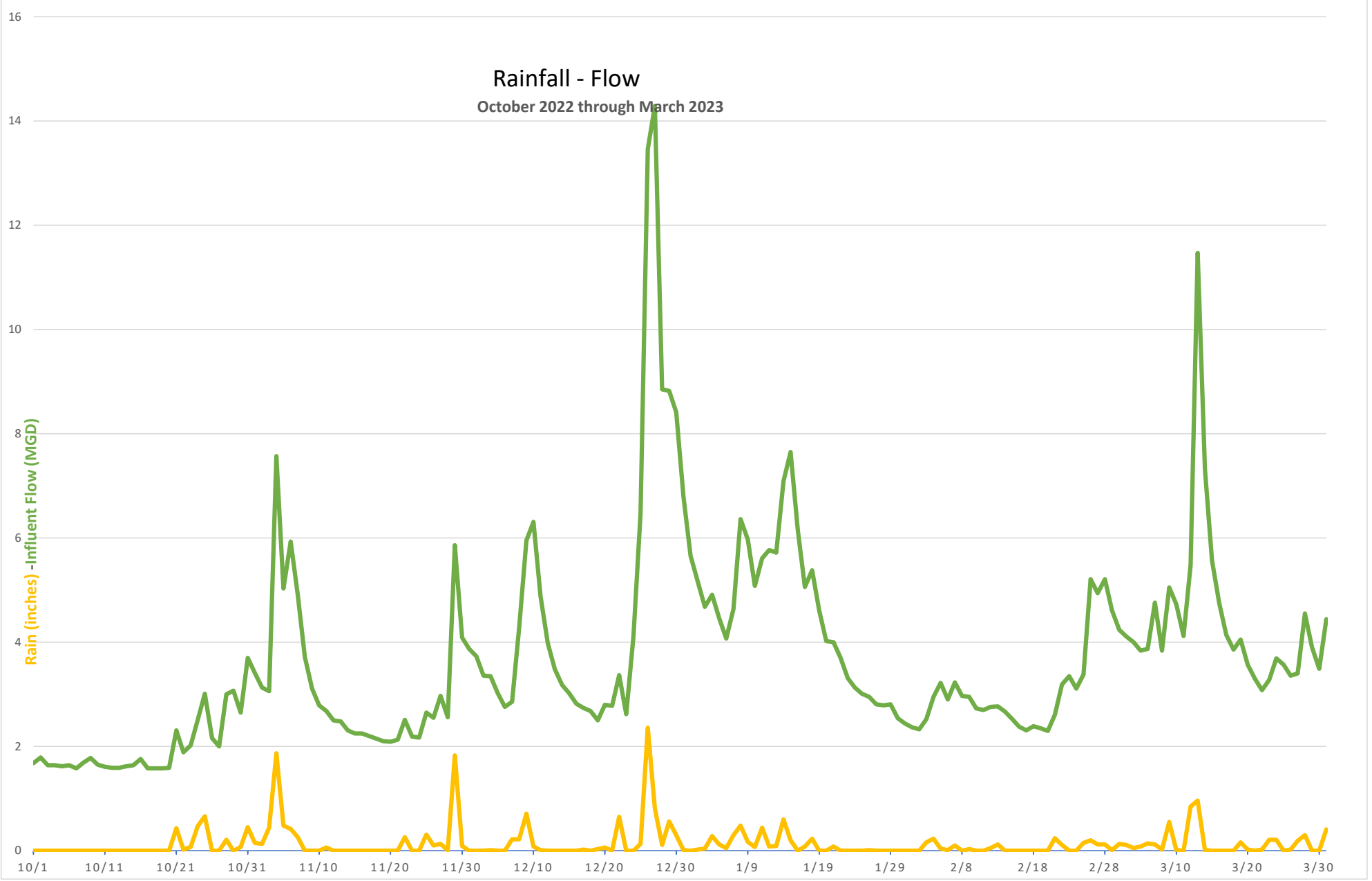
Aerzen Process Blower #2 Being Seated.



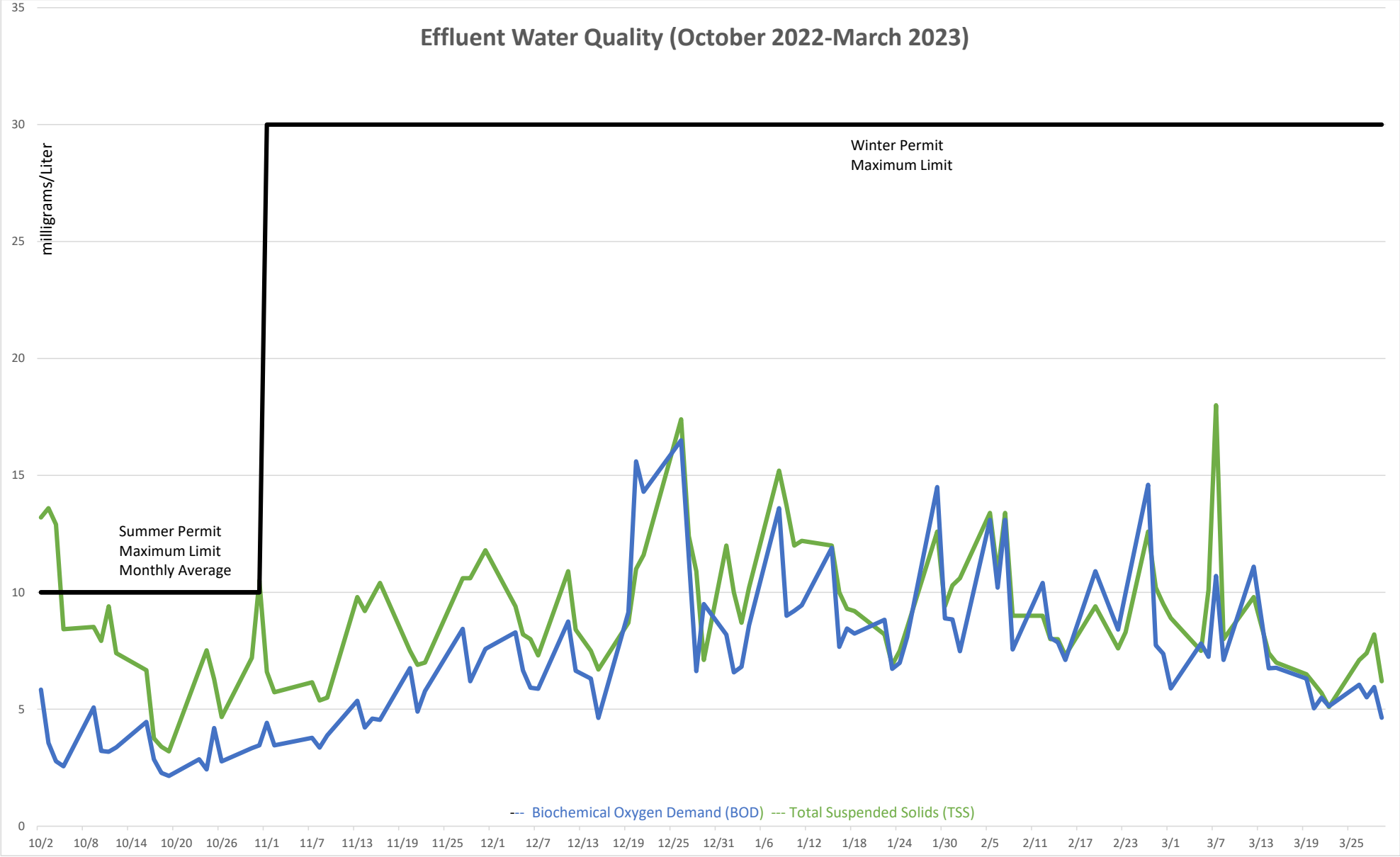
Neuro Process Blower #2 Decommissioned.

# Rainfall - Flow

October 2022 through March 2023



# Effluent Water Quality (October 2022-March 2023)





## AGENDA ITEM

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<b>Title</b>	Recess to Executive Session
<b>Item No.</b>	8
<b>Date</b>	April 18, 2023

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### Summary

Convene Executive Session under ORS 192.660(2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations.

**OAK LODGE**  
WATER SERVICES  
**AGENDA ITEM**

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<b>Title</b>	Adjourn Executive Session
<b>Item No.</b>	9
<b>Date</b>	April 18, 2023

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**Summary**

Adjourn Executive Session and make any necessary motions as a result of Executive Session discussions.

**OAK LODGE**  
WATER SERVICES  
**AGENDA ITEM**

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<b>Title</b>	Adjourn Meeting
<b>Item No.</b>	10
<b>Date</b>	April 18, 2023

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**Summary**

If there is no further business to be discussed, the Chair will note the time and adjourn the meeting.