

SEAL ROCK WATER DISTRICT  
Regular Board Meeting  
Thursday, June 14, 2018 @ 4:00 pm  
1037 NW Grebe Street, Seal Rock OR 97376

**1. Call Regular Meeting to Order:**

**2. Announcements/Visitor Public Comments:**

*Public comment period provides the public with an opportunity to address the Commissioners regarding Items on the agenda. Please limit comments to (10) minutes.*

**3. Consent Calendar:**

*Managers' reports included under consent calendar are an executive summary provided to Commissioners as an update of system conditions, projects, and programs. Management welcomes your feedback and request for more detailed information regarding any item before or during the meeting:*

- |  |                 |
|--|-----------------|
| • Invoice List                                       | May/June – 2018 |
| • Board Meeting Minutes                              | April 12, 2018  |
| • Budget Committee Meeting Minutes                   | April 19, 2018  |
| • Board Meeting Minutes                              | May 10, 2018    |
| • Financial Report / Approve Invoices                | May/June – 2018 |
| • AMI Project Contractor's Payment Application No. 6 | June 14, 2018   |
| • USDA Phase-3 Project Monitoring Report #32         | May/June – 2018 |
| • General Manager's Monthly Report                   | May/June – 2018 |

**4. Discussion and Information Items:**

- Consider Primary Source Water Project Update  
Presented by: Adam Denlinger, General Manager

**5. Decision Items:**

- Consider resolution 0618-01 adopting the SRWD 2018/2019 annual budget, appropriating funds, and levying taxes.  
Presented by: Adam Denlinger, General Manager
- Consider Resolution 0618-02 authorizing the District to transfer funds between appropriation categories in the general fund.  
Presented by: Adam Denlinger, General Manager
- Consider scope of work to provide final design services for Phase-4 improvements provided by Jacobs Engineering.  
Presented by: Adam Denlinger, General Manager

**6. Reports, Comments and Correspondence:**

- Letter to Senator Ron Wyden's office regarding Rescissions Proposal H.R. 3.
- Annual Consumer Confidence Report (CCR).
- Legal Counsel Correspondence dated May 31, 2018.

**7. Executive Session: according to ORS 192.660(2), Concerning:**

- (e) To deliberate with persons designated by the governing body with regard to sale/purchase of real property.

**8. Adjournment: Next Meeting: July 12, 2018 @ 4:00 p.m. Regular Board Meeting or establish date.**

Report Criteria:

- Detail report.
- Invoices with totals above \$0 included.
- Paid and unpaid invoices included.

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
<b>04-6620</b>						
USDA RURAL DEVELOPMENT	053018(91-11)	2012 Revenue Bond Principal	05/30/2018	36,601.00	.00	
Total 04-6620:				36,601.00	.00	
<b>04-6720</b>						
USDA RURAL DEVELOPMENT	053018(91-11)	2012 Revenue Bond Interest	05/30/2018	37,731.00	.00	
Total 04-6720:				37,731.00	.00	
Grand Totals:				74,332.00	.00	

Dated: MAY 22, 2018

General Manager: A. Wankli

Dated: \_\_\_\_\_

Treasurer: \_\_\_\_\_

Report Criteria:

- Detail report.
- Invoices with totals above \$0 included.
- Paid and unpaid invoices included.

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
<b>01-1310</b>						
CRAIG &/OR REBECCA HOFFM	053118	Refund Overpayment	05/31/2018	6.96	.00	
Total 01-1310:				6.96	.00	
Grand Totals:				6.96	.00	

Dated: MAY 31, 2018

General Manager: A. [Signature]

Dated: \_\_\_\_\_

Treasurer: \_\_\_\_\_

Report Criteria:  
Detail report.  
Invoices with totals above \$0 included.  
Paid and unpaid invoices included.

ORIGINAL

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
<b>01-1310</b>						
RON APALATEA	051618	Refund Overpayment	05/16/2018	45.32	.00	
Total 01-1310:				45.32	.00	
<b>01-5271</b>						
CENTURYLINK	052518	Toledo Pump Station SCADA	05/25/2018	74.94	.00	
Total 01-5271:				74.94	.00	
<b>01-5280</b>						
LAZERQUICK	44286-612	125 Service Applications	05/24/2018	87.63	.00	
NEWPORT SIGNS	2509	SRWD logo for Vac truck & Ford E	05/29/2018	92.00	.00	
NEWPORT SIGNS	2509	Installation (Hours)	05/29/2018	80.00	.00	
Total 01-5280:				259.63	.00	
<b>01-5290</b>						
BULLFROG ENTERPRISES	174578	Sealing Solution x 6	05/22/2018	85.95	.00	
Total 01-5290:				85.95	.00	
<b>01-5291</b>						
US POSTAL SERVICE - WALDP	052118	Bulk Mailing	05/21/2018	900.78	.00	
Total 01-5291:				900.78	.00	
<b>01-5600</b>						
USA BLUE BOOK	559994	Aquamate calcium hypochlorite gr	05/01/2018	170.91	.00	
Total 01-5600:				170.91	.00	
<b>01-5610</b>						
CENTRAL LINCOLN P.U.D.	051818	Utility Services x 15	05/18/2018	1,831.86	.00	
Total 01-5610:				1,831.86	.00	
<b>01-5620</b>						
PHILOMATH RENTAL	1-537211	hydrostatic test pump	05/09/2018	74.75	.00	
Total 01-5620:				74.75	.00	
<b>01-5630</b>						
FERGUSON WATERWORKS #30	0655620	12x30 rpm cvr w h7 hole z	05/17/2018	529.56	.00	
FERGUSON WATERWORKS #30	0655620	12x30rpm water meter box	05/17/2018	598.56	.00	
FERGUSON WATERWORKS #30	0655620	5LB bl chlorine granules	05/17/2018	40.00	.00	
LINCOLN COUNTY PAROLE & P	501	Makai Water Tower-cleaning debri	05/11/2018	450.00	.00	
THE AUTOMATION GROUP, INC	3587	cisco ethernetASA locked up, tole	05/22/2018	208.25	.00	
Total 01-5630:				1,824.37	.00	
<b>01-5631</b>						
NAPA AUTO PARTS	052518	motor oil 15w40 gal	05/25/2018	38.97	.00	

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
NAPA AUTO PARTS	052518	Blister pack capsules ford escape	05/25/2018	9.99	.00	
NAPA AUTO PARTS	052518	oilfilter proselect master one 2016	05/25/2018	3.69	.00	
NAPA AUTO PARTS	052518	oil filter	05/25/2018	9.08	.00	
NAPA AUTO PARTS	052518	napa 5w20 5 quart	05/25/2018	33.98	.00	
NAPA AUTO PARTS	052518	air filter dodge	05/25/2018	28.14	.00	
NAPA AUTO PARTS	052518	wiper blade for 2010 ford escape	05/25/2018	11.03	.00	
POWER SYSTEMS WEST OREG	190631	Semi-Annual Inspection on Gener	05/09/2018	331.65	.00	
POWER SYSTEMS WEST OREG	190632	Semi-Annual Inspection on Gener	05/09/2018	355.38	.00	
POWER SYSTEMS WEST OREG	190633	Semi-Annual Inspection on Gener	05/09/2018	370.34	.00	
POWER SYSTEMS WEST OREG	190634	Semi-Annual Inspection on Gener	05/09/2018	317.08	.00	
POWER SYSTEMS WEST OREG	190635	Semi-Annual Inspection on Gener	05/09/2018	351.19	.00	
POWER SYSTEMS WEST OREG	190636	Semi-Annual Inspection on Gener	05/09/2018	348.78	.00	
POWER SYSTEMS WEST OREG	190637	Semi-Annual Inspection on Gener	05/09/2018	336.23	.00	
POWER SYSTEMS WEST OREG	190638	Semi-Annual Inspection on Gener	05/09/2018	345.83	.00	
Total 01-5631:				2,891.36	.00	
<b>01-5634</b>						
ANALYTICAL LABORATORY GR	103305	Coliform, Presence/Absence by S	05/14/2018	245.00	.00	
ANALYTICAL LABORATORY GR	103306	Coliform, Presence/Absence by S	05/14/2018	40.00	.00	
M & E SEPTIC SERVICE, INC.	10872	Service Call	05/23/2018	150.00	.00	
Total 01-5634:				435.00	.00	
Grand Totals:				8,594.87	.00	

Dated: MAY 31, 2018

General Manager: A. [Signature]

Dated: \_\_\_\_\_

Treasurer: \_\_\_\_\_

Report Criteria:

- Detail report.
- Invoices with totals above \$0 included.
- Paid and unpaid invoices included.

6

**SEAL ROCK WATER DISTRICT  
MINUTES OF THE  
Regular Board Meeting, Budget Hearing, and Rate Hearing  
May 10, 2018**

- 1  
2  
3  
4  
5  
6  
7 Call Regular  
8 Board Meeting: Commissioner Rob Mills called the regular board meeting to order at 4:00 p.m., Thursday,  
9 May 10, 2018.  
10  
11 Present: Commissioner Glen Morris, Treasurer; Commissioner Sandra Mies-Grantham, Secretary;  
12 and Commissioner Rob Mills. Staff: Adam Denlinger, General Manager; Joy King, Office  
13 Manager. See sign in sheet for public attendance.  
14  
15 Excused Absences: President John Garcia, and Commissioner Karen Otta.  
16  
17 Announcements: Joy King announced that the agenda has been revised to add an item under Decision Items.  
18  
19 Public Comments: None  
20  
21 Agenda Calendar: Items on the consent calendar are Invoice Lists for April/May 2018;  
22 April 12, 2018 Board meeting minutes; April 19, 2018 Budget Committee Meeting Minutes;  
23 April/May Financial Report/Invoices to approve; AMI Project Contractor's Payment  
24 Application No. 5; USDA Phase 3- Project Monitoring Report No. 31; General Manager's  
25 Report.  
26 Commissioner Glen Morris motioned to approve the consent calendar, except for the April 12  
27 regular Board Meeting minutes and the April 19 Budget Committee Meeting minutes. The  
28 exception is noted as there's no majority to approve each minutes of the meeting. Motion was  
29 seconded by Commissioner Sandra Mies-Grantham. Motion carried 3-0.  
30 Discussion and  
31 Information Items:  
32 Primary Source Water  
33 Project Update:  
34 Biological Assessment: District staff has been working with the consultant to revise the Biological Assessment (BA) to  
35 include the hydraulic model and the temperature model to address the concerns of National  
36 Marines and Fisheries Service (NMFS), who was reluctant to issue a non-effect opinion  
37 which delayed the USDA financing of project. The revised BA was submitted to NMFS the  
38 first week of May and NMFS has 30 days to accept the BA. Once the BA is accepted then it  
39 will go through a 135 days consultative review process. USDA has placed the District's  
40 application for their October budget cycle consideration. After NMFS issues a Biological  
41 Opinion of no negative impact to the stream, then USDA will issue a Letter of Condition to the  
42 District which obligates the financing of the District's Phase 4 Project.  
43 According to the findings of the District's consultants, 2 cfs water withdrawal from Beaver  
44 Creek will not have a negative impact on the stream.  
45 Geotech completed 12 holes, 20 feet to 100 feet deep at the intake site at Beaver Creek and  
46 the findings indicate good buildability and constructability for the intake and treatment plant.  
47 The next monumental step is to select a type of membrane for water treatment. The District  
48 will select a vendor/manufacturer who makes the membrane then obligates the contractor to  
49 use the membrane as part of the contract. The selection process needs to be reviewed by  
50 legal counsel for the legal aspect of the contract.  
51 Public Hearing:  
52 Budget Hearing: Commissioner Rob Mills opened the public hearing at 4:15 p.m. to receive public testimony  
53 regarding the FY 2018-19 Budget approved by the Budget Committee on April 19, 2018. (See  
54 attached FY 2018-19 Approved Budget). Commissioner Glen Morris mentioned for the  
55 benefit of those not present at the Budget Committee Meeting that the committee went over  
56 the FY 2018-19 proposed budget in detail and the only change was under Water Source  
57 Reserve Fund. \$200,000 budgeted for contribution to City of Toledo capital improvement was  
58 moved to SRWD Project. Budget hearing was closed at 4:17 p.m.  
59  
60 Rate Hearing: Commissioner Rob Mills opened the rate hearing at 4:18 p.m. to receive public testimony  
61 regarding the proposed water rate adjustment for FY 2018-19. (See attached proposal 4).  
62 Joy King received a phone call from a customer who expressed support for the minimal rate  
63 increase but was concerned about the rumor she heard that the District is getting water from  
64 another agency other than the City of Toledo. It was explained to the customer that the

District is going through the process of developing its own source water and that answered her question. The rate hearing was adjourned at 4:19 p.m.

Decision Items:

Rate Resolution

No. 0518-01:

Motion by Commissioner Glen Morris to approve Resolution No. 0518-01 authorizing the District to adopt a water rate increase for FY 2018-19. Motion seconded by Commissioner Sandra Mies-Grantham. Motion carried 3-0.

MCWPP Contribution:

District staff has participated with Oregon State Integrated Water Resources Strategy, Mid-Coast Water Planning Partnership with board approval for the last year. The Partnership is a pilot program of Oregon Water Resources Department (OWRD) to complete a Mid-Coast Integrated Resources Planning Study. Funding came from grants and contributions. There is a shortfall of funding to complete the study but fortunately OWRD has generously offered a 2:1 challenge grant up to \$15,000 if the partnership can raise \$7,500 to have the consultants complete the study. The involvement of the District with MCWPP has been beneficial. The GM, Adam Denlinger has been invited to participate in Oregon Business Council representing the Mid-Coast to discuss how the communities gather around to solve water issues. Another benefit for the District is when IFA recognized the District's involvement with Mid-Coast Water Planning Process and allowed the District to benefit from a substantial funding package towards Phase 4 Beaver Creek Source Water Project. Commissioner Sandra Mies-Grantham motioned to participate by contributing \$5,000 towards the completion of the study. Commissioner Glen Morris seconded the motion. Motion carried 3-0.

Vactor Hydro Excavation truck:

In September 2017 the board approved to purchase a vac-truck replacing the failing one the crew is using for excavation with \$100,000 down and finance the balance of \$152,182 through West Coast Bank. Staff ordered a Vactor brand Hydro Excavation truck going through NJPA (National Joint Power Alliance) who has done the bidding process. The Hydro Excavation truck was delivered on May 8, 2018. The financing agency requires opinion of legal counsel and their contract is under California law which the District's legal counsel discouraged to sign. Since the District can't meet the funding agency's requirement, staff recommends financing the balance of \$152,182 with KS State Bank. A proposal was received with Option 1 for 4 years term with 3.830% interest and Option 2 for 6 years term with 4.07% interest. The board discussed the options and the advantage of paying the purchase of the vac-truck in full. Commissioner Glen Morris motioned to approve paying the \$252,182 in full for a Vactor Hydro Excavation Truck. Motion was seconded by Commissioner Sandra Mies-Grantham. Motion carried 3-0.

Reports & Comments:

May 6 through May 12 is National Drinking Water Week and the theme is "Protecting the Source." USDA has requested District staff to write up an article to be published in the AWWA monthly publication. (See attached article by Adam Denlinger)

Adjournment:

Commissioner Rob Mills adjourned the meeting at 5:10 p.m.

Next Board Meeting:

June 14, 2018 at 4:00 p.m. Regular Board Meeting.

Approved by Secretary

Date

Date: 6/1/18

Monthly Statistics		Comments				
Total customers	2549	Includes new connection Less Abandoned / Forfeited meter plus 3 SRWD meters (shop X 2 & office) plus 1 Hydrant meter				
New connections	5					
Abandonments / Forfeitures / Meter Removed	0					
Financial Report		Checking/MM	LGIP/PFMA	Fund Balances	Comments	
General	\$289,540.58	\$16,583.21	\$306,123.79			
Bond	\$359,853.88	\$0.00	\$359,853.88			
Capital Projects	\$244,150.94	\$254,597.93	\$498,748.87		\$2,691,821.79 G.O. Bond Proceeds;	
Revenue Bond	\$2,710.69	\$11,483.74	\$14,194.43			
Rural Development Reserve	\$0.00	\$46,780.07	\$46,780.07			
2000 Loan Reserve	\$0.00	\$0.00	\$0.00			
Dist. Office/Shop Reserve	\$2,521.75	\$135,444.07	\$137,965.82			
Depreciation Reserve	\$0.00	\$230,963.17	\$230,963.17			
Special Projects / ODOT Reserve	\$0.00	\$0.00	\$0.00			
SDC (formerly SIP)	\$0.00	\$317,952.32	\$317,952.32		\$830,677.50.00 sdc collections thru 5/31/18	
Water Source Improvement Rsv	\$0.00	\$774,610.04	\$774,610.04			
<b>TOTALS</b>	<b>\$898,777.84</b>	<b>\$1,788,414.55</b>	<b>\$2,687,192.39</b>			
General Fund Review		Current	FYTD	Budgeted Amount	Comments	
Revenue	\$151,281.59	1,811,130.03	\$2,371,900.00			
Expenses	\$249,014.24	1,919,769.01	\$2,371,900.00		Contingency \$100,050; Transfers \$547,950 Total expenses budgeted \$1,723,950.	
Net Gain or (Loss) from Operations	-\$97,732.65	-\$108,638.98				
Water Sales Revenue Comparison		Month	FYTD	Comments		
Projected Water Sales	\$126,261	\$1,545,922		Leak Adjustments & Billings Adjustments (YTD = July - June)		
Actual + In Lieu of Water Sales Less H2O CR	\$119,503	\$1,624,887		Less: Billing Adj YTD \$-389.91 ; Leak Adj YTD \$7,028.38		
Over or (Under)	-\$6,758.22	\$78,965.14		TOTAL YTD ADJUSTMENTS \$6,638.47		
Gallage Comparison		Current	Prior Year	Cost Comparison	Current	Prior Year
Gallons Purchased	8,002,000	9,044,000	Toledo Charges	\$27,206.80	\$30,297.40	
Gallons Sold (includes accountable loss)	6,879,220	5,838,500	SRWD Sales	\$114,928.09	\$126,261.11	
Variance %	14.03%	35.44%	Ratio: Sales/Cost	4.22	4.17	
Accountable Water Loss (gallons)	675,000		City of Toledo Intertie Usage		0	
<b>Approval To Pay Bills</b>	Payroll 5/11/18 \$19,255.38		Payroll 5/25/18 \$19,226.83			
Month of:	May	(after meetings)	June			
GF A/P	\$8,601.83	GF A/P	\$0.00	up to		
CPF A/P	\$0.00	CPF A/P	\$0.00			
City of Toledo	\$0.00	City of Toledo	\$0.00			
Bond Fund	\$0.00	Bond / Rev Bond Fund	\$0.00			
Depreciation Rsv	\$0.00	Depreciation Rsv	\$0.00			
AMI Project-Phase 3	\$0.00	AMI Project-Phase 3	\$0.00			
Master Plan - Phase 3	\$0.00	Master Plan - Phase 3	\$0.00			
Prelim. MP- Phase 4	\$0.00	Prelim. MP- Phase 4	\$0.00			
SDC Study/Projects	\$0.00	SDC Study/Projects	\$0.00			
Water Source Impr.	\$0.00	Water Source Impr.	\$0.00			
Monthly Accrual Statistics		Req. Balance	Accrued	Used/Paid	Balance	
	4/30/2018				5/31/2018	
Office Overtime Hours (2-01)	0.00	0.00	0.00	0.00		
Field Overtime Hours (2-02)	0.00	5.00	5.00	0.00		
PTO (3-01)	1690.48	115.70	42.50	1763.68		
Comp Time (9-01 / 9-02)	170.83	23.64	54.25	140.22		



**Project Monitoring Report**

Type of Request Final  Partial

Report Number 32

With Exhibit A and Invoices

Borrower: SEAL ROCK WATER DISTRICT

Date: 5/1/2018-5/31/2018

Address: P. O. Box 190 Seal Rock, Oregon 97376

**BUDGET ITEMS**

**STATUS**

**OF**

**BUDGET**

	PROGRAMS		FUNCTIONS		ACTIVITIES	
	(a)	(b)	(c)	(d)	(e)	(d)+(e)
	Budgeted Amounts	Budget Change	Revised Budget	Previous Total	This Period	TOTAL
All entries under column b must be justified with an attachment.						
All entries under column e must be documented with attached invoice.						
a. Administrative Expense- Preliminary		\$5,153	\$5,153	\$5,153		\$5,153
b. Preliminary Engineering- ER/PER		\$498,108	\$498,108	\$498,108		\$498,108
c. Geotechnical Studies				\$0		\$0
d. Land, Structures, Right-of-way				\$0		\$0
e. Civil West Engineering				\$0		\$0
1) Basic Engineering Svcs	\$563,763	(\$519,763)	\$44,000	\$44,000		\$44,000
2) Additional Services/Inspection	\$402,688	(\$62,099)	\$340,589	\$340,589		\$340,589
f. Other Engineering				\$0		\$0
1) AMI Engineering Services -Civil West		\$197,662	\$197,662	\$162,488	\$700	\$163,188
2) Additional Services				\$0		\$0
g. Interest & fees (interim financing)	\$210,000	(\$152,807)	\$57,193	\$57,193		\$57,193
h. Legal/Administration	\$201,344	(\$155,153)	\$46,191	\$41,908		\$41,908
i. Contingencies	\$595,375	(\$502,839)	\$92,536	\$0		\$0
j. Equipment	\$395,000	(\$385,270)	\$9,730	\$9,730		\$9,730
k. Demolition/Removal	\$365,000	(\$365,000)		\$0		\$0
l. Site Work	\$369,600	(\$369,600)		\$0		\$0
m. Construction Cost :	\$2,897,275	\$365,518		\$0		\$0
1) Sched: 1		(\$32,322)	\$960,871	\$960,871		\$960,871
2) Sched: 2		(\$26,111)	\$2,243,489	\$2,243,489		\$2,243,489
3) Other: B Creek-Electrical Work PUD		\$3,113	\$3,113	\$3,113		\$3,113
4) Other:SCADA-The Automation Group		\$30,049	\$30,049	\$29,112		\$29,112
5) AMI Project		\$1,471,361	\$1,471,361	\$1,217,418	\$78,288	\$1,295,706
n. TOTAL PROJECT COST	\$6,000,045	\$0	\$6,000,045	\$5,613,172	\$78,988	\$5,692,160
o. Funding Allocation						
1) Program Income= INTEREST			\$0	\$0		\$0
2) Rural Development Loan	\$3,451,000		\$3,451,000	\$3,451,000		\$3,451,000
3) Rural Development Grant	\$2,549,045		\$2,549,045	\$2,162,172	\$78,988	\$2,241,160
4) Other: DISTRICT CONTRIBUTION			\$0	\$0		\$0
5) Other:Interim Financing Loan	\$3,451,000		\$3,451,000	\$3,451,000		\$3,451,000
p. Total Project Funding (=line l)	\$6,000,045		\$6,000,045	\$5,613,172	\$78,988	\$5,692,160
q. Percentage of Completion				93.55%		94.87%

**5. CERTIFICATION**

I certify that; to the best of my knowledge and belief, the billed costs or disbursements shown are in accordance with the terms of the project and that an inspection has been performed and all work is in accordance with the terms of the construction contract.

**BORROWER:**

Signature of Authorized Certifying Official:

Date Submitted:

Typed or Printed Name and Title:

Telephone:

Adam Denlinger, General Manager

541-563-3529

**6. RURAL DEVELOPMENT ACCEPTANCE**

This form and attachments have been reviewed and are accepted by Rural Development, unless otherwise noted. This review and acceptance by Rural Development does not attest to the correctness of the amounts, the quantities shown, or that the work has been performed under the terms of the agreements or contracts.

**RURAL DEVELOPMENT**

Signature of Authorized Certifying Official:

Date Submitted:

Typed or Printed Name and Title:

Telephone:

Holly Halligan, USDA Area Specialist



PO Box 190 · 1037 NW Grebe Street · Seal Rock, Oregon 97376  
Phone: 541.563.3529 · FAX 541.563.4246 · Email: [info@srwd.org](mailto:info@srwd.org)

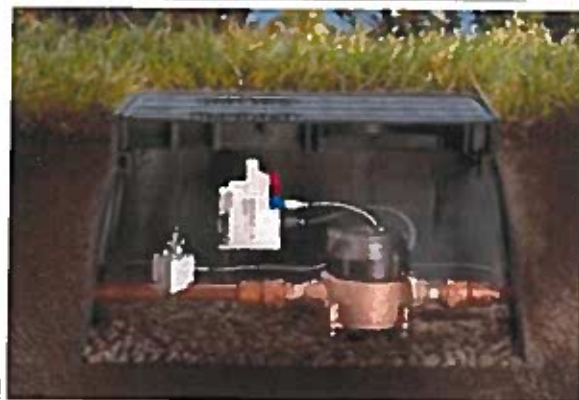
## Seal Rock Water District

General Manager's Report:  
Board Meeting June 14, 2018

*This report is an executive summary provided with this Board agenda to Commissioners with recommended actions if any. Detailed information, staff reports, and supporting materials are provided within the full agenda packet.*

### • PHASE-3 USDA-RD GRANT FUNDED AMI PROJECT:

District contractors and crews have completed installation of all the residential/commercial meters within the system. District Staff is coordinating with the contractor to install three repeaters located at various district pump stations to provide added coverage for those meters that are currently not receiving signal at the towers. Repeaters are scheduled for installation in mid-June. It is anticipated that with the installation of the repeaters the read rate will be at 98%.



While the system is still in its infancy, the District has already received an overwhelming positive response from customers who have received notification of high water use generated through the AMI program. The District has contacted several customers with an alert to the potential of a water leak in their system. With the old system, high usage was detected only through monthly meter readings and generally left the customer with a high volume of water usage to pay for before fixes were made. With 2,549 connections, detecting water leaks early with AMI is already having a positive impact on the District, our customers and, ultimately, the environment.

AMI installation is a \$1.5 million-dollar project, fully funded through a grant provided by the United States Department of Agriculture Rural Development (USDA-RD) through its Water and Waste Disposal Loan and Grant Program.

### PHASE-4 SOURCE WATER PROJECT:

District staff and engineer are working cooperatively with representatives from USDA-RD to certify the District's Biological Assessment for the Beaver Creek Source Water project. Environmental consultants provided a draft copy of the Beaver Creek biological assessment to National Marine Fisheries Services (NMFS) in early March 2018, and again in May 2018. Staff and consultants are reviewing comments provided by NMFS in June 2018.

District staff and consultants notified the Wetlands Conservancy that the District is currently in the final planning stages to develop a primary source water intake and treatment facility located near Beaver Creek in Lincoln County. One of the elements of this project is the placement of the raw waterline which runs along Beaver Creek Road and up through private property adjacent to the proposed water treatment facility located above the Makai Community. The District has been working with the property owners for the last year, or so,

*Seal Rock Water District is an Equal Opportunity Service Provider and Employer.*

Adam Denlinger, General Manager

[adenlinger@srwd.org](mailto:adenlinger@srwd.org)

[www.srwd.org](http://www.srwd.org)

to develop an approved route through their property which would allow the District to provide raw water to the proposed water treatment plant on District owned property.

We learned recently that a section of the property near the proposed water treatment plant site is also in a conservation easement. After engaging representatives from the Wetlands Conservancy staff learned that the conservation land is likely too restrictive to allow the district to use for the district's raw water line.

District staff and consultants are considering the best alternative option to access the proposed treatment site through the Makai Community. This option avoids impacts to the conservation easement, but obviously adds additional cost to the overall project. Staff have been in contact with one property owner affected by this option to allow the District to access property for the installation of the raw water line to access the Makai Community. Property owner is willing to allow the District to use the property as long as improvements do not prevent the property from being developed in the future.

District staff will continue to work with representatives from NMFS to provide additional information in an effort to expedite the review process. Phase-4 improvements project continues to move forward with several critical path tasks currently in progress:

- Biologist Assessment is being reviewed for final submittal to NMFS.
- Geotechnical investigation was completed in May.
- Easement and access agreement for construction and maintenance have been revised by the District's Legal Counsel. Draft copies of the easement agreements have been provided to the various property owners affected by the project.
- District staff will continue coordinating with USDA-RD funding representatives to provide information and updates related to the project.
- District crews have begun working with consultants to begin the Sampling and Analysis Plan (SAP) required as a condition of the District's water right permit for use of water on Beaver Creek.
- Engineer continues to provide water quality and treatability testing in preparation for developing specification for membrane procurement.

• **OTHER NOTABLE ACTIVITIES FOR THE MONTHS OF MAY/JUNE INCLUDE:**

- 
- Attended weekly meetings with engineers and contractor to discuss AMI and source water improvements.
  - Coordinated site visits with property owners to discuss intake and pipeline route for the Beaver Creek Source Water project.
  - Facilitated District personnel staff/safety meeting.
  - Supported staff effort to revise the 2018/2019 budget.
  - Provided presentation to the RCAC Regards to Rural Bridges Between Rural and Urban Conference in Portland on May 19<sup>th</sup>.
  - Met with engineer and representatives from USDA-RD to discuss Phase-IV improvements.
  - Hosted first aid/CPR/AID training provided by SDAO Consultants.
  - Attended Mid-Coast Integrated Water Resources Coordinating Committee meetings.
  - Hosted regional municipal and water district working group meeting.
  - Met with consultants to install sampling stations located on Beaver Creek.



PO Box 190 · 1037 NW Grebe Street · Seal Rock, Oregon 97376  
Phone: 541.563.3529 · FAX 541.563.4246 · Email: info@srwd.org

# Seal Rock Water District

<b>DATE ACTION REQUESTED: June 14, 2018</b>							
<b>Ordinance</b>		<b>Resolution</b>	<b>X</b>	<b>Motion</b>		<b>Information</b>	
<b>Date Prepared: May 30, 2018</b>				<b>Dept.: Administration</b>			
<b>SUBJECT: 2018 - 2019 Budget Adoption</b>				<b>Contact Person for this Item:</b> Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

**RECOMMENDED BOARD ACTION:**

Consider SRWD resolution No. 0618-01 authorizing the District to adopt the 2018-2019 SRWD Annual Budget, Appropriating Funds, Imposing the Tax Rate, and Categorizing the Taxes.

**FINANCIAL IMPACTS:**

The 2018-2019 proposed budget is the District’s financial work plan and reflects a total sum of \$19,345,748.

**DISTRICT GOAL:**

Identify and prioritize challenges that must be overcome to ensure successful District operations dependent upon effective financial planning for the annual operation of the District.

**BACKGROUND:**

The proposed Seal Rock Water District annual budget for fiscal year 2018-2019 has been prepared pursuant to Oregon Local Budget Law, and meets or exceeds guidance provided in the Oregon Department of Revenues Local Budget Manual. The 2018-2019 proposed budget includes projected loan and grant revenues for capital projects.

On April 19, 2018 the District’s Budget Committee assembled to review and approve the budget for adoption by the District’s Board of Commissioners. On May 10, 2018 a public hearing was held at the District Board of Commissioners regular monthly meeting regarding the 2018-2019 proposed budget. No public comment was received during the public hearing.

With approval from the Budget Committee, staff is presenting for the consideration of the Board of Commissioners a balanced 2018-2019 SRWD Budget. Adopting resolution No. 0618-01 will certify the budget, and will allow staff to make the final budget available at the District office and on the District’s website for the public.

Submitted By: *A. Denlinger*

Adam Denlinger, General Manager

SEAL ROCK WATER DISTRICT BUDGET RESOLUTIONS  
FISCAL YEAR 2018-19 BUDGET

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RESOLUTION NO. 0618-01

RESOLUTION ADOPTING THE 2018-19 BUDGET

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF SEAL ROCK WATER DISTRICT HEREBY ADOPTS THE BUDGET FOR FISCAL YEAR 2018-19 IN THE TOTAL AMOUNT OF \$19,345,748. THIS BUDGET IS NOW ON FILE AT THE DISTRICT OFFICE AT 1037 NW GREBE STREET, SEAL ROCK, OREGON.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED THAT THE AMOUNTS SHOWN BELOW ARE HEREBY APPROPRIATED FOR THE FISCAL YEAR BEGINNING JULY 1, 2018, FOR THE FOLLOWING PURPOSES:

1)	<u>GENERAL FUND:</u>		
	PERSONNEL & SERVICES	\$866,300	
	MATERIALS AND SERVICES	\$834,400	
	CAPITAL OUTLAY	\$ 93,000	
	TRANSFER TO OTHER FUNDS	\$640,000	
	GENERAL OPERATING CONTINGENCIES	\$100,000	
	TOTAL GENERAL FUND APPROPRIATIONS		\$2,533,700
2)	<u>DEBT SERVICE FUND:</u>		
	DEBT SERVICE	\$779,290	
	TOTAL DEBT SERVICE FUND APPROPRIATIONS:		\$779,290
3)	<u>REVENUE BOND FUND:</u>		
	DEBT SERVICE	\$147,120	
	TOTAL REVENUE BOND FUND APPROPRIATIONS		\$147,120
4)	<u>CAPITAL PROJECT FUND:</u>		
	CAPITAL OUTLAY	\$13,693,500	
	TOTAL CAPITAL PROJECT FUND APPROPRIATIONS		\$13,693,500
5)	<u>RURAL DEVELOPMENT REQUIREMENT RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$54,180	
	TOTAL R.D. REQUIREMENT RESERVE FUND APPROPRIATIONS		\$54,180
6)	<u>SYSTEM DEVELOPMENT CHARGES FUND:</u>		
	CAPITAL OUTLAY	\$339,328	
	TOTAL SYSTEM DEVELOPMENT CHARGES FUND APPROPRIATIONS		\$339,328
7)	<u>SLARRA/DEPRECIATION RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$354,600	
	TOTAL SLARRA/DEPRECIATION RESERVE FUND APPROPRIATIONS		\$354,600

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**SEAL ROCK WATER DISTRICT BUDGET RESOLUTIONS  
FISCAL YEAR 2018-19 BUDGET**

8)	<u>WATER SOURCE IMPROVEMENT RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$911,570	
	TOTAL WATER SOURCE IMP. RSRV. FUND APPROPRIATIONS		\$911,570
9)	<u>SRWD LAND &amp; BUILDING RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$137,800	
	TOTAL SRWD LAND & BUILDING RESERVE FUND APPROPRIATIONS		\$137,800
	TOTAL APPROPRIATIONS – ALL FUNDS	\$18,951,088	
	TOTAL UNAPPROPRIATED & RESERVE AMOUNTS – ALL FUNDS	\$394,660	
	TOTAL ADOPTED BUDGET- ALL FUNDS	<u>\$19,345,748</u>	

**RESOLUTION IMPOSING THE TAX**

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE SEAL ROCK WATER DISTRICT HEREBY IMPOSES THE FOLLOWING AD VALOREM PROPERTY TAXES WITHIN THE DISTRICT FOR TAX YEAR 2018-19 BEGINNING July 1, 2018:

- 1) AT THE PERMANENT RATE OF \$0.1259 PER \$1,000 OF ASSESSED VALUE FOR THE GENERAL FUND OPERATIONS AND
- 2) IN THE AMOUNT OF \$770,300 FOR DEBT SERVICE ON THE GENERAL OBLIGATION BONDS;

**RESOLUTION CATEGORIZING THE TAX**

BE IT RESOLVED THAT THE TAXES IMPOSED ARE HEREBY CATEGORIZED FOR PURPOSES OF ARTICLE XI SECTION 11b AS:

**SUBJECT TO THE GENERAL GOVERNMENT LIMITATION**

PERMANENT TAX RATE ..... \$0.1259/\$1,000

**EXCLUDED FROM LIMITATION**

GENERAL OBLIGATION BOND DEBT SERVICE ..... \$770,300

THE ABOVE RESOLUTION STATEMENTS WERE APPROVED AND DECLARED ADOPTED ON THIS 14<sup>TH</sup> DAY OF JUNE 2018.

\_\_\_\_\_  
JOHN GARCIA, PRESIDENT  
SRWD BOARD OF COMMISSIONERS

PO Box 190 · 1037 NW Grebe Street · Seal Rock, Oregon 97376  
 Phone: 541.563.3529 · FAX 541.563.4246 · Email: info@srwd.org



## Seal Rock Water District

### RESOLUTION NO. 0618-02

#### TO TRANSFER MONEY BETWEEN APPROPRIATIONS CATEGORIES IN THE GENERAL FUND.

WHEREAS, it is necessary to adjust line item amounts between appropriated categories for the FY 2017/18 budget within the General Fund to cover estimated year end expense for Capital Outlay which is anticipated to exceed the appropriated budget amount;

WHEREAS, the transfer of Contingencies is less than 15% of the total fund appropriations;

BE IT RESOLVED, that General Fund category amount be transferred as follows:

#### FROM:

<u>PAGE</u>	<u>LINE</u>	<u>CATEGORY/ LINE ITEM NAME</u>	<u>AMOUNT</u>	<u>GL #</u>
4	14	OPERATING CONTINGENCIES TOTAL	\$100,000	01-5950

#### TO:

3	20	CAPITAL OUTLAY		
3	12	Automotive Equipment	\$100,000	01-5690

APPROVED: June 14, 2018

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John Garcia, President  
 SRWD Board of Commissioners

Task Order 1 to be performed under the general agreement for engineering services between Seal Rock Water District, Oregon (hereafter, "DISTRICT") and Jacobs Engineering, Inc, (hereafter "ENGINEER"), dated \_\_\_\_\_, 2018.

## Scope of Work for Final Design Services

This scope of services describes the final design work that will be performed by Jacobs Engineering (ENGINEER) for the Seal Rock Water District, Oregon (DISTRICT), for a project generally described as the Beaver Creek Water Supply Project – Phase IV improvements. Funding for the completion of final design is subject to Safe Drinking Water Revolving Loan Fund, Professional Services Contract regulations provided in Attachment – A.

The work consists of engineering design for the facilities described in the *Preliminary Engineering Report for Seal Rock Water District, Oregon: Beaver Creek Water Supply Project* (May 2017). The primary facilities are the raw intake and intake electrical building, raw water pipeline, treatment plant with a clearwell tank, membrane building, backwash basin, generator, onsite hypochlorite system and finished water pipeline.

### Description of Work and Assumptions

1. The membrane equipment will be selected prior to design through a prepurchase proposal process. The development of the prepurchase specification and oversight for the selection process is being conducted through a separate task order.
2. The plant will use onsite hypochlorite generation for supply of chlorine.
3. A standby generator will be added to power the treatment plant. A self-contained, enclosed, pad mounted standby generator with integral fuel tank will be provided. Backup power for the intake pumps and facilities will be provided by a trailer-mounted generator to be purchased separately by the DISTRICT.
4. The clearwell tank will be welded steel.
5. The membrane building will be concrete masonry. One bid package consisting of specifications, drawings and details will be prepared for the entire project.
6. The design does not include the Lost Creek Booster Pump Station, as this work will be performed separately by the DISTRICT.
7. No costs are included for investigation and remediation of hazardous waste, asbestos, lead paint, or other contaminants. If such are encountered, the scope and fee will need to be adjusted.
8. Legal, easement, and plat surveys are not included.
9. Landscaping is limited to seeding and sodding and removal of designated trees.
10. Fencing and security will be minimal but will provide the necessary measures to protect the entire plant and raw water intake.

Raw and finished water pipeline routing will generally follow the alignments shown in the *Preliminary Engineering Report*, except that the raw water pipeline will be mounted on the bridge rather than passing below the creek using horizontal directional drilling, and the route through the private property is expected to cross over to Kona Place and then follow existing roads to the base of the Makai site access road.

### Scope of Services

1. ENGINEER will prepare plans and specifications for the general construction package to the 30, 50, 90 percent completion levels for review by the DISTRICT and ENGINEER.



2. ENGINEER will submit 5 printed copies of each review deliverable to DISTRICT, as well as electronic PDF versions. The review periods will generally be 2 weeks in length. ENGINEER will host DISTRICT representatives in ENGINEER's Corvallis office for review meetings at each milestone.
3. The design will be prepared using 3D CAD using Microstation software.
4. All drawings will be submitted in 11" x 17" format. Specifications will be submitted on 8.5" x 11" format.
5. To avoid project delays, it has been acceptable to submit the 90 percent design packages to the Drinking Water Services Section of the Oregon Health Authority for their plan review; this is the approach assumed for this project. The state's review comments will be incorporated into the 100 percent design document or, if received too late, will be incorporated by addendum during bidding.
6. ENGINEER will track review comments provided by DISTRICT and will furnish the tracking list to DISTRICT to show how review comments have been incorporated into the design.
7. ENGINEER will develop an engineer's construction cost estimate for the general construction package based on the 30 percent review deliverable, and then will update this estimate at the 60 and 90 percent stages.
8. Following review of the 90 percent document, ENGINEER will prepare 100 percent bid documents. Ten printed sets and PDFs of the drawings and specifications will be provided to DISTRICT.
9. ENGINEER will provide the Division 0 and 1 specification sections, using the Engineers Joint Contract Documents Committee (EJCDC) Construction Series as their basis, with modifications as deemed appropriate. The use of these sections is a requirement for receipt of funding from the U.S.D.A. Rural Development Program.
10. The DISTRICT and ENGINEER can jointly consider whether the bidding document shall include pre-qualification requirements for the general contractor, consistent with the Oregon Administrative Rules and DISTRICT purchasing practices, so that all potential bidders have experience working with similar systems.
11. Bidding and construction services, to be provided by the ENGINEER on behalf of the DISTRICT will be contracted under separate task orders to this agreement.

Schedule

The final design will commence in August 2018 and be completed in March 2019, allowing time for the in-water work for the intake to be constructed during late summer/early fall 2019.

Budget

The budget for the final design is \$895,000. This amount will not be exceeded with authorization by the DISTRICT.

**SEAL ROCK WATER DISTRICT**

**CH2M HILL ENGINEERS, INC.**

By \_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

## Attachment - A

### Contract Clauses for contracts with Professional Services Contractors for projects funded by Safe Drinking Water financing

**1. Duns Number and SAM Registration**

All entities that enter into contracts with a Safe Drinking Water Revolving Loan Fund recipient (i.e. contractors) must have both a DUNS number and be a SAM Registration. The links below can be provided to contractors if they have not already addressed this requirement.

<p><b>SAM Registration:</b>  <a href="http://www.sam.gov/portal/public/SAM/">http://www.sam.gov/portal/public/SAM/</a></p> <p>NOTE: The SAM registration expires annually and must be kept active until the SDWRLF project is closed</p>	<p><b>DUNS Number</b> <a href="http://www.dnb.com/get-a-duns-number.html">http://www.dnb.com/get-a-duns-number.html</a></p>
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### Contract Clause Language

**Instructions:** The following language to be included verbatim in contracts according to any accompanying instructions.

**2. Source of Funds**

Work under this contract is funded by the federal Safe Drinking Water Revolving Loan Fund through Business Oregon and a partnership of Local and/or Private Funds.

**3. Whistleblower** (language to be included in all construction contracts and subcontracts)

“Contractor receiving SDWRLF funds shall under or through this contract to, post notice of the rights and remedies provided to whistleblowers under No Fear Act Pub. L. 107-174. 29 CFR § 1614.703 (d).”

**4. Non Discrimination**

“The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.”

**5. Termination for Cause and for Convenience & Breach of Contract**

“Contractor shall address termination for cause and for convenience, including the manner by which it will be effected and the basis for settlement. In addition, contractor shall address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.”

**6. Intellectual Property** (language to be included in all contracts:)

“Contractor hereby grants to the U.S. E.P.A. a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for federal government purposes, any intellectual property developed under this contract. Contractor shall secure from third parties the same license in the name of the U.S. E.P.A. regarding any intellectual property developed by third parties as subcontractors to perform this project, or developed under contract with the Contractor specifically to enable Contractor’s obligations related to this project.”

**7. Inspections; Information (language to be included in all contracts and subcontracts:)**

“Contractor shall permit, and cause its subcontractors to allow *[insert name of water system Owner]*, the State of Oregon, the federal government and any party designated by them to:

- (1) Inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursement, contracts, and any other matters relating to the Project, and to its financial standing, and shall supply such reports and information as reasonably requested.
- (2) Interview any officer or employee of the Contractor, or its subcontractors, regarding the Project.

Contractor shall retain all records related to the Project for three years after final payments are made and any pending matters are closed.”

**8. Prohibition on the Use of Federal Funds for Lobbying (Certification Regarding Lobbying form follows, for any contracts in excess of \$100,000)**

---

(form follows)

**CERTIFICATION REGARDING LOBBYING**

(Awards to Contractors and Subcontractors in excess of \$100,000)

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signed

\_\_\_\_\_

Title

\_\_\_\_\_

Date

\_\_\_\_\_



PO Box 190 – 1037 NW Grebe Street – Seal Rock, Oregon 97376  
Phone: 541.563.3529 – Fax 541.563.4246 – Email: [info@srwd.org](mailto:info@srwd.org)

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## Seal Rock Water District

The Seal Rock Water District Water Quality Report is available online at [www.srwd.org/report](http://www.srwd.org/report)  
Please contact us if you would like a paper copy of the Seal Rock Water District Water Quality Report

Date: May 30, 2018

To: Senator Ron Wyden  
707 13th Street  
SE Suite 285  
Salem, OR. 97301

From: Seal Rock Water District  
1037 NW Grebe Street  
Seal Rock OR. 97376

RE: Rescissions Proposal H.R. 3.

Dear Senator Wyden,

As a special District in Oregon concerned about the well-being of rural communities in Oregon, I'm writing to respectfully ask you to consider opposing the rescissions package (H.R. 3) that is currently under consideration. A number of the provisions target programs that benefit rural communities like ours on the Oregon coast where there is tremendous need. These communities shouldn't be punished because bureaucratic hurdles have prevented the agencies from spending the funds.

I am particularly concerned about cuts to U.S. Department of Agriculture (USDA) Rural Development programs and the U.S. Treasury's Capital Magnet Fund. These programs support needed community development in rural areas throughout our state and the country.

The technical assistance nonprofit organizations provided through the water/wastewater grant programs at USDA Rural Development is essential for rural communities to maintain compliance with federal regulations. USDA also provides vital funding for rural community facilities and rental assistance for low-income USDA housing renters. All three of these programs are slated for rescissions, in spite of the fact that they all have a backlog of applications.

The community of Seal Rock on the Oregon Coast is looking to strengthen the resiliency of its essential public service. Currently, the water district purchases its water from a source water provider and transfers it through a nine-mile pipe constructed mostly of asbestos cement material vulnerable to landslides, flooding and major earthquakes – events common or likely in the Coast Range. The existing pipeline has already experienced costly failures due to age, landslides and ground movement. SRWD is looking to USDA's historically reliable Rural Development funds to help update its aging infrastructure before a natural disaster (like a Cascadia Subduction Zone Earthquake event) leaves this community without a source of clean drinking water. The water District plans to develop a new and more resilient primary water supply system, which is located within the District's service boundaries with funds provided through USDA Rural Development - Water and Waste Disposal Loan and Grant Program.

The Capital Magnet Fund program in the Treasury Department, provides critical capital to community development financial institutions that deploy capital to rural communities to develop low-income housing. The CDFIs, like RCAC, that receive these funds use it to leverage and attract private investments that help build much-needed housing that people can afford. With the costs of housing increasing all over the state and throughout the west, this capital infusion is essential to ensuring the continued affordability of housing in rural areas.

Living in a rural area shouldn't mean we have to live without the basics like clean reliable safe drinking water, access to reliable sanitation systems and housing. Without funding provided by USDA-RD our system could fail. This is the only funding some small communities can rely on, especially on the Oregon Coast, where we have constant earth movement. Community water providers like SRWD ask you to please oppose the provisions of the rescissions package to help keep our rural communities strong.

Sincerely,

Adam Denlinger, General Manager  
Seal Rock Water District

cc: SRWD Board of Commissioners

# Your Drinking Water Quality Report



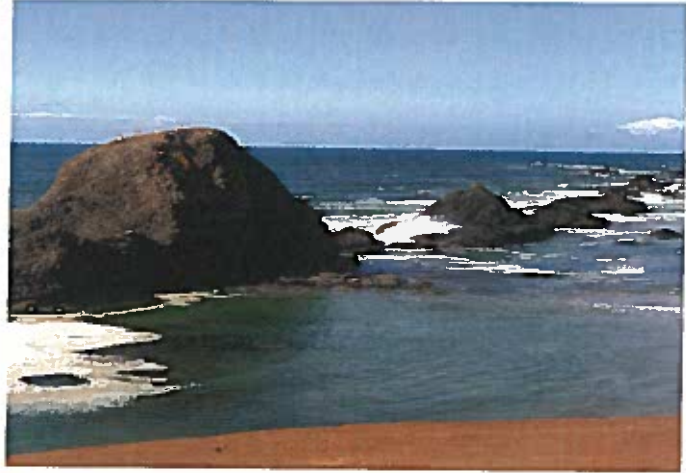
PO Box 190 – 1037 NW Grebe Street – Seal Rock, Oregon 97376  
Phone: 541.563.3529 – Fax 541.563.4246 – Email: [info@srwd.org](mailto:info@srwd.org)

## Seal Rock Water District

Seal Rock Water District is an Equal Opportunity Employer and Service Provider

### Look Inside For Laboratory Tap Water Results

Issued June 2018, contains water quality data for the year 2017. You can have confidence in the quality of your drinking water. The Seal Rock Water District consistently delivers water that meets or exceeds all federal and state standards.



*Seal Rock State Park:*

**Are you wondering...**

- ...Where your drinking water comes from?
- ...How your drinking water is treated?
- ...About the quality of your drinking water?



### SRWD Changes Distribution Method of Water Quality Report

Beginning in 2013, SRWD notified customers in their water bill informing them that the water quality report is available Online for viewing instead of mailing the entire report to everyone in the District. Those with Internet access will be able to view or download the entire report at their convenience. We will also be happy to mail the report to those who request a copy. Please visit the District's [website](#) to view this and other important information.

#### Our Mission:

*"With a goal to become a leader in the source water and distribution industry, SRWD will strive to become the supplier of choice for high quality reasonably priced water to meet the growing needs of the Central Oregon Coast"*

# The Water You Drink

## Seal Rock Water District Water Quality Report

Safe, reliable drinking water is a basic life necessity. Seal Rock Water District (SRWD) understands this, and appreciates the opportunity to provide this essential service to the Seal Rock community every day. We believe it is important for our customers to understand where their water comes from, how safe it is, and what actions we take for its continuing quality. In accordance with federal guidelines, this report provides the information you need to know about the water you enjoy.

### Is Your Water Safe?

SRWD consistently delivers drinking water that meets or is better than state and federal regulatory limits. The test results are shown on the following pages. Although the District's water supplies are tested for several regulated and unregulated constituents, only those that have been detected in the water are included in this report. Frequency of testing varies per federal and state requirements.

Some people may be more vulnerable to constituents in drinking water than the general population. Immune-compromised people, such as those with cancer undergoing chemotherapy, people who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly people, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care Providers. The Environmental Protection Agency (EPA)/Center for Disease Control (CDC) has issued guidelines on appropriate means to lessen the risk of infection by cryptosporidium and other microbial constituents. These are available from the EPA's Safe Drinking Water Hotline at (800) 426-4791 or at [www.epa.gov](http://www.epa.gov).



The Oregon Health Authority (OHA) completed a source water assessment in October 2013 to comply with the 1996 Safe Drinking Water Act Amendments. This assessment identified minor screening issues associated with the District Driftwood reservoir. As a result all screening was removed and replaced to insure that water quality was not compromised. Due to the District's high level of response to the maintenance needs of the system, the District received recognition from the OHA as an Outstanding System Performer. Systems earning this designation recognize significant benefit as system evaluation and assessment from the State is less frequent.

You can have confidence in the quality of your drinking water. SRWD consistently delivers water that meets or exceeds all federal and state standards. For questions, contact SRWD [info@srwd.org](mailto:info@srwd.org), (541) 563-3529, or visit our Web site at [www.srwd.org](http://www.srwd.org).





# About SRWD

Seal Rock Water District is the largest water district on the Oregon Coast located in Lincoln County, between Newport and Waldport. The current boundaries of the District were formed in 1956 by the merger of two separate contiguous water districts.

We are governed by a five-member Board of Commissioners elected to four-year terms by District voters. The Board of Commissioners, with help from our staff, set our policies and procedures. We invite the public to attend SRWD's Board of Commissioners meetings, held on the second Thursday of each month at 4 p.m. at the SRWD office. For more information about the meetings, visit [www.srwd.org](http://www.srwd.org) or call (541) 563-3529.

## What We Do

We don't often pause to consider the incredible value of a safe, reliable water supply — and the water system that delivers it — in our everyday lives. But have you ever stopped to consider the beneficial uses of tap water outside of your home? You may not realize it, but as your community water provider, SRWD is responsible for much more than making sure quality water comes out of your tap. For example, we deliver...

### ...public health protection

In a world where an estimated 3 million people die every year from preventable waterborne disease, our water system allows us to drink from any public tap in the District with a high assurance of safety. SRWD water supplies meet rigorous federal and state health protective standards.

### ...fire protection

A well-maintained water system is critical in protecting our community from the threat of fire. A system that provides reliable water can be the difference between a small fire and an urban inferno. The ability to suppress fires also influences new home construction, business location decisions and insurance rates.

### ...support for the economy

Communities cannot succeed without a safe and sustainable water supply. Tap water is critical for day-to-day business operations and is often a primary ingredient in the products they create.

### ...the overall quality of life we enjoy

Any measure of a successful society — low mortality rates, economic diversity, productivity, and public safety — is in some way related to access to safe water. We often take for granted that safe water is always accessible to drink, to wash our clothes, to water our lawns and for a myriad of other purposes.



*SRWD Distribution Operators safely maintain over 65-miles of distribution system*



*Friendly and courteous SRWD Administration Staff*



*Fire protection is an important function of SRWD*

## SRWD Board of Commissioners

**Board President**  
Mr. John Garcia

**Board Secretary**  
Mrs. Sandra Mies-Grantham

**Board Treasurer**  
Mr. Glen Morris

**Commissioner**  
Mr. Rob Mills

**Commissioner**  
Mrs. Karen Otta

# Providing Quality Water

Clean water is essential to the health and wellbeing of our community. SRWD places great importance on delivering quality water to every tap every day. No matter what route your water has taken, our goal is to provide safe, quality water. SRWD staff is responsible for testing water quality throughout the distribution system to make sure it meets or exceeds regulatory standards and customer expectations, and reporting results to the proper authorities. The Oregon Health Authority Drinking Water Program is responsible for promoting compliance with drinking water standards set by the U.S. Environmental Protection Agency.

The source of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include;

- Microbial contaminants, such as viruses and bacteria which may come from septic systems, agricultural livestock operations, and wildlife.
- Inorganic contaminants, such as salts and metals, which can be naturally- occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- Organic chemical contaminants, including synthetic and volatile organic chemicals, which are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems.
- Radioactive contaminants, which can be naturally-occurring or be the result of oil and gas production and mining activities.

SRWD's water system is monitored 24 hours a day, 7 days a week. In addition to monitoring water flows and pressure, our state-of-the-art Supervisory Control and Data Acquisition (SCADA) system monitors several water quality parameters and security alarms. If the system identifies anything out of the ordinary, alarms alert an operator to the possible problem to allow for corrective actions if needed.

## The Water Testing Process

The quality and safety of your water is our number one priority. To meet our commitment to quality water every time you turn on your tap, we constantly monitor the water by taking samples. Once these samples are taken, the testing process proceeds as follows:

- Samples are refrigerated and taken to a lab certified for testing drinking water.
- The lab sends the test results directly to the Oregon Health Authority (OHA) Drinking Water Program
- This Water Quality Report (sampling results from the past year) is provided to customers once a year.

### What Happens if One Of The Samples Is Outside Of The Acceptable Range?

Each element has different regulations to adhere to if they fall outside of the acceptable range. In the extremely rare occurrence that a parameter falls outside of the range, we will re-sample it. If it still falls out of the range, we will take whatever action is necessary to rectify the situation and follow the proper notification procedures.

### Advanced Technology Enables Water Providers to Look For More Substances than Ever

As technology improves, water providers have detected extremely small levels of substances. An example includes pharmaceuticals and personal care products (PPCPs) in certain water sources. These substances have been found at trace levels that are measured in parts per trillion (ppt). A part per trillion is equivalent to one second in 32,000 years or one cent (\$0.01) in ten billion dollars (\$10,000,000,000).

The fact that a substance is detectable does not mean the substance is harmful to humans. Research regarding the identification of various substances in water is continually improving. Ultimately, as measurement and water treatment technologies continue to improve, we are able to provide our community with expanded information and better water. For more information about PPCPs, including how to properly dispose of them (not flushing them down the drain), visit [www.epa.gov/ppcp](http://www.epa.gov/ppcp).

## How Does The EPA Set Drinking Water Standards?

The EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. Food and Drug Administration regulations establish limits for contaminants in bottled water, which must provide the same protection for public health. The 1996 Amendments to Safe Drinking Water Act require the EPA to go through several steps to determine whether setting a standard is appropriate for a particular constituent, and if so, what the standard should be. Peer-reviewed science and data support an intensive technological evaluation, which includes many factors: occurrence in the environment; human exposure and risks of adverse health effects in the general population and sensitive subpopulations.



SRWD Technician takes a water sample from one of the District's many sampling stations.

**2017 Water Quality Summary:**

SRWD and the City of Toledo routinely monitor for constituents in your drinking water according to Federal and State Regulations. Results are submitted to the Oregon Health Authority Drinking Water Department.

Unregulated Volatile Organics (VOC)	Reporting Limit	Mill Creek Results	Siletz River Results	Units
Bromodichloromethane	0.0005	0.00170	0.00204	mg/L
Chlorodibromomethane	0.0005	0.00154	0.00051	mg/L
Chloroform	0.0005	0.00107	0.00308	mg/L

Secondary contaminants do not have health impacts, and therefore, do not have MCL's.  
Secondary parameters describe non-health related characteristics of drinking water.

Parameter	Unit Measurement	Measured Level		MCL	Likely Source Standards	Meet Standards
		Site #1	Site #2			
Total Trihalomethanes TTHMs	mg/L	0.0211	0.0186	0.080	By-products of naturally occurring organics and chlorine	Yes
Total Haloacetic Acids HAA5s	mg/L	0.0144	0.0135	0.060		Yes
Turbidity	NTU	Annual Average: 0.030 Highest Single Value: 0.12		0.3	Soil Erosion	Yes

**LEAD AND COPPER TEST RESULTS 2017**

The District is required to test again in July 2020

Parameter	MCL	Goal	Maximum Reported Value	Range	Likely Source	Meets Regs
Copper	90% of homes tested must have copper levels less than 1.3 ppm	0 ppm	100% of homes tested had 0.000 copper levels	None of the 20 homes tested had copper levels above 1.3 ppm	Household Plumbing systems	Yes
Lead	90% of homes tested must have lead levels less than 15 ppb	0 ppb	100% of homes tested had 0.000 lead levels	None of the 20 homes tested had lead levels above 15 ppb	Household Plumbing systems	Yes

Seal Rock's water was tested for Asbestos in 2012 and none was detected. We are required to test again in 2019.

Some abbreviations in the above table may not be familiar. Please refer to the following definitions:

- **(MCL) Maximum Contaminant Level** - is the highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology. MCLs are set at very stringent levels. To understand the possible health effects for many regulated constituents, a person would have to drink 2 liters of water every day at the MCL level for a lifetime to have a one-in-a-million chance of having the described health effect.
- **(MCLG) Maximum Contaminant Level Goal** - the level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- **(N/A)** - not applicable. **(ND)** - non-detect.
- **(NTU) Nephelometric Turbidity Units** - a measure of the clarity of water. Turbidity in excess of 5 NTU is just noticeable to the average person.
- **Turbidity** - indicates how cloudy the water is. Turbidity is measured in NTUs.
- **(ppm) Parts per million or Milligrams per liter (mg/L)** - one part per million corresponds to one minute in two years or a single penny in \$10,000.
- **(ppb) Parts per billion or Micrograms per liter (µg/L)** - one part per billion corresponds to one minute in 2,000 years, or a single penny in \$10,000,000.

### Safeguarding Against Lead and Copper In Drinking Water:

Elevated levels of lead and copper in drinking water can cause serious problems, especially for pregnant women and young children. Materials and components used in service lines and home plumbing are the primary sources of these substances. SRWD is responsible for providing high quality drinking water but cannot control the variety of materials used in plumbing components. If water has been exposed to these substances by sitting for several hours, any threat can be minimized by flushing the tap for a minute or two before using the water.

If customers are concerned about lead and copper, they may wish to have their water tested. Information on testing methods and steps to take to minimize exposure is available from the Safe Drinking Water Hotline or at [www.epa.gov/safewater/lead](http://www.epa.gov/safewater/lead).

## WATER MANAGEMENT AND CONSERVATION

Water management consists of the prudent oversight by a water supplier to responsibly provide water resources for the benefit of users within its defined service area. Water conservation consists of any appropriate efforts toward a reduction in water losses, waste, or consumption. As water suppliers face growing demands upon their available resources, careful conservation planning is playing an increasingly important role in their management practices. In effect, conserved water increases the available supply without a commensurate increase in cost and effort to obtain that water. To view the District's WMCP please visit our website at [www.srwd.org](http://www.srwd.org). SRWD routinely evaluates the water distribution system for leaks, as a result last year the district completed improvements in various areas of the system, reducing the amount of unaccounted water. Operators continue monitoring the system in an effort to detect and repair system leaks to increase savings. In November 2015 the District began a \$6 million dollar system improvement project in an effort to build resiliency in the system, reduce water loss further, and improve deficient fire flows. These improvements include the installation of an Automated Meter Integration (AMI) system being funded through a grant provided through USDA Rural Development and is expected to be completed in the fall 2018.

### Effective Water Loss Program

The initial goal of a system-wide leak detection program should be to reduce the amount of unaccounted water to 15% of the total amount of treated water purchased. If the reduction to 15% is determined to be feasible and appropriate, then the water supplier should endeavor to achieve a reduction to 10% or less. The District anticipates that completion of USDA funded Phase-3 improvements, scheduled for completion in the fall of 2018 will decrease the amount of water loss, possibly enough to satisfy the goal of less than 15%. Once this goal has been reached, the District can aim for an objective of 10% unaccounted water.



### Developing a Reliable Drinking Water Future

SRWD is working with the State and local stakeholders in an effort to develop additional water supply sources. Other water providers in the region are also looking at their options to meet future source water needs. There is enough water for today—but steps need to be taken now to have an adequate supply to meet future demands and provide greater resiliency. Developing a primary water supply for the District supports the region's plans for responsible sustainable growth within the Oregon Coast range. While Toledo source water is high quality, proven, and abundant, in the event of a natural disaster the District's primary source of water will not be available. To continue to provide water to the Seal Rock Community in the event of an emergency will require developing a primary source of water within the District's boundaries. Not only will this effort serve to create sustainability, it will also meet the State resiliency plan. SRWD's portfolio of drinking water supplies already includes the Siletz River watershed and water purchased from the City of Toledo. Through a FEMA mitigation grant the District completed improvements to a new emergency intertie with the City of Newport in September 2015. In addition, the District has unused certificated water rights within the District's boundaries. All of these supplies have the ability to continue to provide water for the foreseeable future.

The SRWD Board also stresses the need to keep customers informed on progress as the District moves forward in developing a more resilient water system. Discover more at [www.srwd.org](http://www.srwd.org) or contact the District at (541) 563.3529 or [info@srwd.org](mailto:info@srwd.org).

## Frequently Asked Questions

### How can I check for a water leak?

Finding water leaks can save you water, which means saving money on water bills. Please visit the District's website for helpful information on how to check for water leaks, and conservation tips.

### What Can I do to Conserve Water?

Water conservation is the most cost-effective and environmentally sound way to reduce our demand for water. This stretches our supplies farther. There are a number of ways to save water, and they all start with you. There are many effective ways to conserve water in and around your home. Look through this list for ways that will work for you. When you save water, you save money on your utility bills too. Saving water is easy for everyone to do:

- When washing dishes by hand, don't let the water run while rinsing. Fill one sink with wash water and the other with rinse water.
- Some refrigerators, air conditioners and ice-makers are cooled with wasted flows of water. Consider upgrading with air-cooled appliances for significant water savings.
- Adjust sprinklers so only your lawn is watered and not the house, sidewalk, or street.
- Run your clothes washer and dishwasher only when they are full. You can save up to 1,000 gallons a month.
- Turn off the water while brushing your teeth and save 25 gallons a month.
- Install covers on pools and spas and check for leaks around your pumps.
- Use the garbage disposal sparingly. Compost vegetable food waste instead and save gallons every time.
- Plant in the fall when conditions are cooler and rainfall is more plentiful.
- Monitor your water bill for unusually high use. Your bill and water meter are tools that can help you discover leaks.
- Water your lawn and garden in the morning or evening when temperatures are cooler to minimize evaporation.
- Know where your master water shut-off valve is located. This could save water and prevent damage to your home.
- Install an instant water heater near your kitchen sink so you don't have to run the water while it heats up.
- Turn off the water while you wash your hair to save up to 150 gallons a month.

### Is There An Easier Way To Have My Backflow Assembly Tested?

Do you have a backflow assembly? For your convenience, SRWD has a list of approved state certified backflow technicians available to complete annual testing of backflow devices within the District.



Property owners are responsible for having their backflow assembly tested annually. Annual testing and certification results must be delivered to the District.

## Smart Water Technology

In the spirit of this year's National Drinking Water Week theme, "Protect the Source," we want to recognize how successful technology and partnerships are conserving water resources to benefit the community throughout the Seal Rock Water District (SRWD) and the landscape that supplies our water.



As part of our ongoing commitment to maintain a high quality of life for our citizens through cost-effective, innovative systems, the District recently completed installation of an advanced metering infrastructure (AMI) system for our water utility system. Advanced metering supports the District's commitment to preserve and protect our environment. The technology not only takes meter readers off the road and reduces carbon emissions; AMI also enhances the District's ability to quickly detect and stop leaks in the transmission system while providing end-user customers with daily information that helps them improve their own water conservation efforts.

The project entails replacing every residential and commercial water meter in the District with new, state-of-the-art technology that wirelessly communicates usage data to the District office. This innovative system replaces monthly manual reads with multiple remote reads per day, allowing for better leak detection, increased billing accuracy, and improved customer service.

The data offers us a better understanding regarding the flow of water through the system which, in turn, will allow the District and our customers to control unaccounted-for water, reduce our demand on the stream, and "protect the source." Reducing the amount of water we remove from coastal streams, many of which are already impaired as a result of overallocated withdrawals, translates to better stream health and a more sustainable water supply for the future.

While the system is still in its infancy, the District has already received an overwhelming positive response from customers who have received notification of high water use generated through the AMI program. With the old system, high usage was detected only through monthly meter readings and generally left the customer with a high volume of water usage to pay for before fixes were made. With 2,525 connections, detecting water leaks early with AMI is already having a positive impact on the District, our customers and, ultimately, the environment.

SRWD is proud of the work we have done on this project, and we recognize that these environmental and rate-payer benefits are also made possible through partnership collaboration with our customers and the United States Department of Agriculture (USDA) Rural Development, which financed the system improvements through its Water and Waste Disposal Loan and Grant Program. Protecting the environment is everyone's responsibility, and something the SRWD Board of Commissioners takes seriously. Water is a precious resource, using new technology like AMI allows communities like ours to ensure this precious resource is available for future generations.

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**Ouderkirk & Hollen**

**Attorneys at Law**

P. O. Box 1167  
Newport, OR 97365

615 SW Hurbert Street, Ste A  
Tel: 541-574-1630 Fax: 541-574-1638  
[www.ouderkirkhollen.com](http://www.ouderkirkhollen.com)

J. F. "Jeff" Ouderkirk  
[jeffo@ouderkirkhollen.com](mailto:jeffo@ouderkirkhollen.com)

Jeffrey C. Hollen  
[jeffh@ouderkirkhollen.com](mailto:jeffh@ouderkirkhollen.com)

May 31, 2018

Board of Commissioners  
Seal Rock Water District  
P.O. Box 190  
Seal Rock, OR 97376

Re: Attorney Fees

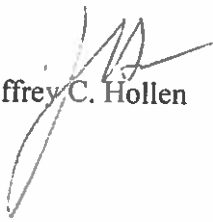
Dear Board Members:

This letter is to request your approval of an attorney fee increase to the rate of \$150.00 per hour, effective June 1, 2018. In response to a request posted in September, 2000, I agreed to provide legal services at the rate of \$100.00 per hour for the first 30 hours, and \$125.00 per hour thereafter, for each calendar year. For separate contracts involving USDA, a different rate has been agreed to in writing, and the most recent rate was \$150.00 per hour. Due to some confusion on Phase III of the last USDA contract, my billing was continued at \$125.00 per hour until the mistake was discovered and corrected. To avoid this from happening again, and to avoid any question of whether work is related to regular business or a USDA contract, the hourly fee of \$150.00 would be used for both. Also, so far as I am aware, it is a lesser fee than is charged by any other attorneys in Lincoln County.

Thank you for your consideration of this request. If more information is needed from me, please let me know.

Sincerely,

OUDEKIRK & HOLLEN

  
Jeffrey C. Hollen

JCH/