

SEAL ROCK WATER DISTRICT
Regular Board Meeting
Thursday, October 11, 2018 @ 4:00 pm
1037 NW Grebe Street, Seal Rock 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 | September/October – 2018 |
| • Board Meeting Minutes | May 10, 2018 |
| • Board Meeting Minutes | July 12, 2018 |
| • Board Meeting Minutes | August 09, 2018 |
| • Board Meeting Minutes | September 13, 2018 |
| • Financial Report / Approve Invoices | September/October – 2018 |
| • USDA Project Monitoring Report No. 36 | October – 2018 |
| • Ferguson AMI Project Pay Request No. 7 – Final | October – 2018 |
| • General Manager's Monthly Report | October – 2018 |

4. Discussion and Information Items:

- Consider Primary Source Water Project Update.
Presented by: Adam Denlinger, General Manager
- Consider decisions affecting District staffing assignment.
Presented by: Adam Denlinger, General Manager
- Consider Auditor Engagement Letter
Presented by: Joy King, Office Manager

5. Decision Items:

- Consider Notice of Award for the purchase of Membrane Treatment Equipment.
Presented by: Adam Denlinger, General Manager
- Consider authorizing staff to execute an agreement with CLPUD to provide power to District Systems.
Presented by: Adam Denlinger, General Manager

6. Reports, Comments and Correspondence:

- General Manager will be away from the office from October 22nd to November 2nd.
- Letter – Jenny Demaris – 2018 Lincoln County Candidate Letter
- Schedule date for SRWD Annual Employee Appreciation Luncheon for December 13 at 12:00 pm.
- General Manager Performance Evaluation – December 2018
- Letter from NOAA – acceptance of complete Biological Assessment

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

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

8. Adjournment: Next Meeting: November 8, 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.

ORIGINAL

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
01-1310						
DAVE &/OR BETH HARRIS	092518	Refund Overpayment	09/25/2018	17.89	.00	
EDWARD HOSACK	091718	Refund Overpayment	09/17/2018	19.40	.00	
ROSETTA DIMICELI	092818	Refund Overpayment	09/28/2018	500.00	.00	
Total 01-1310:				537.29	.00	
01-5063						
BRENDI HARGROVE	092818	Quarterly Mileage Reimbursement	09/28/2018	33.41	.00	
JOCELYN KING	092818	Quarterly Mileage (July-Sept 2018)	09/28/2018	104.91	.00	
PATRICIA M KARLSEN	092818	Quarterly Mileage (July-Sept 2018)	09/28/2018	23.98	.00	
Total 01-5063:				162.30	.00	
01-5271						
CHARTER COMMUNICATIONS	007859709191	Internet (Office)	09/19/2018	183.98	.00	
Total 01-5271:				183.98	.00	
01-5290						
STAPLES BUSINESS ADVANTA	8051351873	Staples Paper Clips,Smooth,1,00	09/08/2018	1.56	.00	
STAPLES BUSINESS ADVANTA	8051351873	Tombow Mono Correction Tape,W	09/08/2018	14.56	.00	
STAPLES BUSINESS ADVANTA	8051351873	Staples Copy Paper 8 1/2 x 11 Let	09/08/2018	77.90	.00	
STAPLES BUSINESS ADVANTA	8051351873	Astrobrights Color Paper 8.5" x 11	09/08/2018	10.10	.00	
Total 01-5290:				104.12	.00	
01-5291						
US POSTAL SERVICE - WALDP	092118	Bulk Mailing	09/21/2018	890.57	.00	
Total 01-5291:				890.57	.00	
01-5310						
TCB SECURITY SERVICES INC.	225992	Answering/Dispatch Services Mon	09/28/2018	40.00	.00	
TCB SECURITY SERVICES INC.	225992	Answering/Dispatch Services Lev	09/28/2018	2.20	.00	
Total 01-5310:				42.20	.00	
01-5601						
IDEA PRINT WORKS, INC.	5575	Shirts with logos	09/25/2018	301.00	.00	
IDEA PRINT WORKS, INC.	5751	Jackets & Sweatshirt with logo	09/25/2018	85.90	.00	
Total 01-5601:				386.90	.00	
01-5610						
CENTRAL LINCOLN P.U.D.	092118	Utility Services x 15	09/21/2018	1,385.87	.00	
Total 01-5610:				1,385.87	.00	
01-5630						
LINCOLN COUNTY PAROLE & P	546	South Beach 123rd St, Clearing B	09/12/2018	350.00	.00	

Seal Rock Water District

Payment Approval Report - by GL
Report dates: 9/28/2018-9/28/2018

Page: 2
Sep 28, 2018 01:26PM

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 01-5630:				350.00	.00	
03-5715						
OREGON DEPART. OF STATE L	WD 2018-0019	Wetland Delineation Report Fee f	09/27/2018	437.00	✓ .00	
Total 03-5715:				437.00	.00	
Grand Totals:				4,480.23	✓ .00	

Dated: 9/28/18

General Manager: A. Damm

Dated: _____

Treasurer: _____

Report Criteria:

Detail report

Invoices with totals above \$0 included

Paid and unpaid invoices included.

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
04-6740						
CASHMERE VALLEY BANK	091118	2M LOC Loan Interest (2016 Rev	09/11/2018	21,822.75	.00	
Total 04-6740:				21,822.75	.00	
Grand Totals:				21,822.75	.00	

Dated: SEPT 17, 2018

General Manager: A. Jenkins

Dated: _____

Treasurer: _____

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**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting
September 13, 2018**

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7 **Call Regular**

8 **Board Meeting:**

President John Garcia called the regular board meeting to order at 4:08 p.m., Thursday, September 13, 2018.

11 **Present:**

President John Garcia, Commissioner Rob Mills, member and Commissioner Karen Otta, member. Staff: Adam Denlinger, General Manager; Joy King, Office Manager. See sign in sheet for public attendance.

15 **Excused Absences:**

Commissioner Glen Morris and Commissioner Sandra Mies-Grantham.

17 **Announcements:**

Joy King announced the agenda was revised to add the Project Monitoring Report No. 35.

19 **Public Comments:**

None

21 **Agenda Calendar:**

Items on the consent calendar are Invoice Lists for August/September 2018; May 10, 2018 Board Meeting Minutes; July 12, 2018 Board Meeting Minutes; August 9, 2018 Board Meeting Minutes; August/September Financial Report/Invoices to approve; USDA Project Monitoring Report No. 35 and General Manager's Report. Motioned by commissioner Rob Mills to approve the agenda calendar with the exceptions of the May 10, July 12 and August 9 regular board meeting minutes due to lack of a quorum to approve them. Commissioner Karen Otta seconded the motion. Motion carried 3-0.

28 **Discussion and
Information Items:**

30 **Primary Source Water:
Power Supply:**

The District needs a higher voltage power at the treatment plant which will be located at the old Makai tank location east of the Makai subdivision and also at the intake site located at the South Beaver Creek Bridge. The South Beaver Creek location is in Consumers Power Inc. (CPI) territory and the old Makai Tank location is in Central Lincoln People's Utility District (CLPUD) territory. The District would like to supply power for both sites using CLPUD. District staff is working with CLPUD and CPI for a favorable solution. CLPUD will need to extend 7,000' of three phase powers from Hwy 101 to the intake site south of the Beaver Creek Bridge. CPI is willing to let CLPUD serve Seal Rock Water District in their territory, but CPI would like to tie their North and South single-phase service together in return for using their territory. This would include CLPUD and CPI to share the same trench from the fork in the road to south of the bridge. CPI would like the labor and material to be covered for this trade by Seal Rock Water District. Detail on this is discussed in a letter dated August 21, 2018 signed by Faye Murphy CLPUD Distribution Engineering Technician (see attached). It was discussed by the board that this is feasible since the District will already have an open trench for the pipes. It was also discussed that the District has no reason to trench beyond the project location. The General Manager will discuss this with CPI before signing the agreement.

48 **Biological
Assessment:**

The District's Environmental Consultants responded to the concerns of National Marine and Fisheries Service (NMFS) regarding the District's Draft Biological Assessment (BA), by providing a revised BA that included a SRWD Beaver Creek Water Supply Biological Assessment RFI Response Matrix and SRWD Comment Matrix. This was submitted to NMFS on August 28, 2018. The District has received notification from NMFS that they are in receipt of the revised BA and will respond within 30 days with a notice that the BA is complete and acceptable. When NMFS issues a Biological Opinion then the District through USDA will enter in to Formal Consultation with NMFS.

57 **Decision Items:
Notice of Intent to
Award:**

The District received 4 proposals for the Membrane Filtration Equipment for the Beaver Creek Water Supply Project by the deadline on August 2, 2018 at 2 p.m. As explained in the Request for Proposals, the District considered both cost and no-cost factors in making their decision. The four companies that submitted their proposals are Evoqua \$862,210; H2O Innovation \$1,528,154; Pall \$836,500; and Westech \$932,388. The GM will visit other agencies along the coast to see water treatment plants with similar membrane treatment facilities being proposed for the District. Both Pall and Westech are very competitive. Both can treat 1 ½ MGD and have dial in support capability. Commissioner Karen Otta also

recommended to look at what the annual cost to maintain the system would be. It was motioned by commissioner Karen Otta to authorize the District to issue Notice of Intent to Award the Membrane Filtration Equipment for the Beaver Creek Water Supply Project. Motion was seconded by commissioner Rob Mills. Motion carried 3-0.

SDAO

Nomination:

Commissioner Rob Mills and the GM, Adam Denlinger have worked together to nominate the AMI Project for the SDAO Outstanding Special District Program Award. This project has positive impact on the District, the customers and the environment. The Board was pleased and supported the nomination. It was motioned by commissioner Karen Otta to submit a nomination of the AMI Project for SDAO Outstanding Special District Program Award. Motion was seconded by commissioner Rob Mills. Motion carried 3-0.

Reports & Comments:

Lincoln County Emergency Management Public Outreach Events for Fall 2018.

The Oregon State Governor issued an Executive Order No. 18-19 Determination of a state of drought emergency in Lincoln County due to low streamflow and hot, dry conditions affecting the Siletz River, the source of Water for SRWD. Because of this, the City of Newport, City of Toledo and Seal Rock Water District send out a Stage 2 Water Curtailment Notice to their customers on August 20, 2018.

The Oregon Health Authority, Drinking Water Services, conducted a water system survey of the District's system on Aug. 29, 2018 and awarded the District an Outstanding Performance Award giving the District 5 years before the next survey instead of another survey every 3 years.

The General Manager's Performance Evaluation is coming up on December 1, 2018. The performance evaluation form will be emailed to each board of commissioner.

Adjournment:

Commissioner Rob Mills motioned to adjourn the meeting. President John Garcia adjourned the meeting at 5:08 p.m.

Next Board Meeting:

October 11, 2018 at 4:00 p.m. Regular Board Meeting.

Approved by Secretary _____ Date _____

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Monthly Statistics		Comments				
Total customers	2559	Includes new connection Less Abandoned / Forfeited meter plus 3 SRWD meters (shop X 2 & office) plus 1 Hydrant meter				
New connections	2					
Reinstalls	0					
Abandonments / Forfeitures / Meter Removed	0					
Financial Report		Checking/MM	LGIP/PFMMA	Fund Balances	Comments	
General	\$188,292.18	\$16,695.85	\$204,988.03			
Bond	\$405,184.40	\$0.00	\$405,184.40			
Capital Projects	\$151,129.53	\$299,238.48	\$450,368.01		\$2,691,821.79 G.O. Bond Proceeds;	
Revenue Bond	\$2,712.05	\$23,168.13	\$25,880.18			
Rural Development Reserve	\$0.00	\$48,661.35	\$48,661.35			
2000 Loan Reserve	\$0.00	\$0.00	\$0.00			
Dist. Office/Shop Reserve	\$2,523.01	\$136,230.60	\$138,753.61			
Depreciation Reserve	\$0.00	\$106,455.81	\$106,455.81			
Special Projects / ODOT Reserve	\$0.00	\$0.00	\$0.00			
SDC (formerly SIP)	\$0.00	\$351,514.63	\$351,514.63		\$863,712.00 sdc collections thru 9/30/18	
Water Source Improvement Rsrv	\$0.00	\$820,628.19	\$820,628.19			
TOTALS	\$749,841.17	\$1,802,593.04	\$2,552,434.21			
General Fund Review		Current	FYTD	Budgeted Amount	Comments	
Revenue	\$183,079.76	555,272.66	\$2,533,700.00			
Expenses	\$131,575.15	512,235.06	\$2,533,700.00		Contingency \$100,000; Transfers \$640,000. Total expenses budgeted \$1,893,700	
Net Gain or (Loss) from Operations	\$51,504.61	\$43,037.60				
Water Sales Revenue Comparison		Month	FYTD	Comments		
Projected Water Sales	\$183,198	\$508,935		Leak Adjustments & Billings Adjustments (YTD = July - June)		
Actual + in Lieu of Water Sales Less H2O CR	\$176,932	\$525,907		Less: Billing Adj YTD -\$41.93; Leak Adj YTD \$1407.33		
Over or (Under)	-\$6,265.58	\$16,971.87		TOTAL YTD ADJUSTMENTS \$1365.40		
Gallage Comparison		Current	Prior Year	Cost Comparison	Current	Prior Year
Gallons Purchased	8,988,000	9,390,000	Toledo Charges	\$30,559.20	\$31,456.50	
Gallons Sold (includes accountable loss)	10,673,554	11,176,790	SRWD Sales	\$171,877.77	\$183,070.76	
Variance %	-18.75%	-19.03%	Ratio: Sales/Cost	5.62	5.82	
Accountable Water Loss (gallons)	675,000		City of Toledo Intertie Usage			
Approval To Pay Bills	Payroll 9/14/18 \$20,864.05		Payroll 9/28/18 \$19,471.59		0	
Month of:	September	(after meetings)	October			
GF A/P	\$25,865.98	GF A/P	\$45,988.45	up to 10/4/18		
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	\$91,214.00			
Depreciation Rsv	\$0.00	Depreciation Rsv	\$0.00			
AMI Project-Phase 3	\$0.00	AMI Project-Phase 3	\$68,195.02			
Master Plan - Phase 3	\$0.00	Master Plan - Phase 3	\$0.00			
MP - Phase 4 (IFA)	\$0.00	MP - Phase 4 (IFA)	\$111,413.85			
Prelim. MP- Phase 4	\$437.00	Prelim. MP- Phase 4	\$8,413.23			
Water Source Impr.	\$0.00	Water Source Impr.	\$0.00			
Monthly Accrual Statistics		Beg. Balance	Accrued	Used/Paid	Balance	
		8/31/2018			9/30/2018	
Office Overtime Hours (2-01)	0.00	0.00	0.00	0.00	0.00	
Field Overtime Hours (2-02)	0.00	0.00	0.00	0.00	0.00	
PTO (3-01)	1857.63	117.24	134.50	1840.37		
Comp Time (9-01 / 9-02)	62.01	10.88	7.75	65.14		

Project Monitoring Report
 With Exhibit A and Invoices
 Date: 9/1/18-9/30/18

Type of Request Final x Partial Report Number 36

Borrower: SEAL ROCK WATER DISTRICT
 Address: P. O. Box 190 Seal Rock, Oregon 97376

BUDGET ITEMS	STATUS OF BUDGET						
	PROGRAMS		FUNCTIONS		ACTIVITIES		
	(a) Budgeted Amounts	(b) Budget Change	(c) Revised Budget	(d) Previous Total	(e) This Period	(d)+(e) 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	\$0
b. Preliminary Engineering- ER/PER		\$498,108	\$498,108	\$498,108		\$498,108	\$0
c. Geotechnical Studies				\$0		\$0	\$0
d. Land, Structures, Right-of-way				\$0		\$0	\$0
e. Civil West Engineering				\$0		\$0	\$0
1) Basic Engineering Svcs	\$563,763	(\$519,763)	\$44,000	\$44,000		\$44,000	(\$0)
2) Additional Services/Inspection	\$402,688	(\$62,099)	\$340,589	\$340,589		\$340,589	\$0
f. Other Engineering				\$0		\$0	\$0
1) AMI Engineering Services -Civil West		\$197,662	\$197,662	\$165,521		\$165,521	\$32,141
2) Additional Services				\$0		\$0	\$0
g. Interest & fees (interim financing)	\$210,000	(\$152,807)	\$57,193	\$57,193		\$57,193	\$0
h. Legal/Administration	\$201,344	(\$155,153)	\$46,191	\$41,908		\$41,908	\$4,283
i. Contingencies	\$595,375	(\$502,839)	\$92,536	\$0		\$0	\$92,536
j. Equipment	\$395,000	(\$385,270)	\$9,730	\$9,730		\$9,730	\$0
k. Demolition/Removal	\$365,000	(\$365,000)		\$0		\$0	\$0
l. Site Work	\$369,600	(\$369,600)		\$0		\$0	\$0
m. Construction Cost :	\$2,897,275	\$365,518		\$0		\$0	\$0
1) Sched: 1		(\$32,322)	\$960,871	\$960,871		\$960,871	\$0
2) Sched: 2		(\$26,111)	\$2,243,489	\$2,243,489		\$2,243,489	\$0
3) Other: B Creek-Electrical Work PUD		\$3,113	\$3,113	\$3,113		\$3,113	\$0
4) Other:SCADA-The Automation Group		\$30,049	\$30,049	\$29,112		\$29,112	\$937
5) AMI Project		\$1,471,361	\$1,471,361	\$1,295,706	\$68,195	\$1,363,901	\$107,460
n. TOTAL PROJECT COST	\$6,000,045	\$0	\$6,000,045	\$5,694,493	\$68,195	\$5,762,688	\$237,357
o. Funding Allocation							
1) Program Income= INTEREST			\$0	\$0		\$0	\$0
2) Rural Development Loan	\$3,451,000		\$3,451,000	\$3,451,000		\$3,451,000	\$0
3) Rural Development Grant	\$2,549,045		\$2,549,045	\$2,243,493	\$68,195	\$2,311,688	\$237,357
4) Other: DISTRICT CONTRIBUTION			\$0	\$0		\$0	\$0
5) Other:Interim Financing Loan	\$3,451,000		\$3,451,000	\$3,451,000		\$3,451,000	\$0
p. Total Project Funding (=line l)	\$6,000,045		\$6,000,045	\$5,694,493	\$68,195	\$5,762,688	\$237,357
q. Percentage of Completion				94.91%		96.04%	

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

EJCDC

ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

Application Period: 6/7/2018 - END		Contractor's Application for Payment No. 7 **FINAL**
To (Owner): Seal Rock Water District	From (Contractor): Ferguson Enterprises, Inc.	Application Date: 10/3/2018
Project: AMI Water Metering	Contract: Schedule 1	Via (Engineer): Civil West Engineering Services Inc.
Owners Contract No.:	Contractor's Project No.:	Engineer's Project No.: 2801-022

**Application For Payment
Change Order Summary**

Approved Change Orders		
Number	Additions	Deductions
1		\$8,228.00
TOTALS	\$0.00	\$8,228.00
NET CHANGE BY CHANGE ORDERS	(\$8,228.00)	

1. ORIGINAL CONTRACT PRICE	\$	1,479,589.17
2. Net change by Change Orders	\$	(8,228.00)
3. Current Contract Price (Line 1 ± 2)	\$	1,471,361.17
4. TOTAL COMPLETED AND STORED TO DATE (Column F total on Progress Estimates)	\$	1,363,900.49
5. RETAINAGE:		
a. 0% X Work Completed	\$	1,363,900.49
b. 0% X Stored Material	\$	-
c. Total Retainage (Line 5.a + Line 5.b)	\$	0.00
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c)	\$	1,363,900.49
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)	\$	1,295,705.47
8. AMOUNT DUE THIS APPLICATION	\$	68,195.02
9. BALANCE TO FINISH, PLUS RETAINAGE (Column G total on Progress Estimates + Line 5.c above)	\$	N/A - FINAL

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature

By: *Christa Holtzman* Date: 10/3/18

Payment of: \$ 68,195.02
(Line 8 or other - attach explanation of the other amount)

is recommended by: _____
(Engineer) Jerek B. Hodge, PE (Date)

Payment of: \$ 68,195.02
(Line 8 or other - attach explanation of the other amount)

is approved by: _____
(Owner) Adam Denlinger-General Manager (Date)

Approved by: _____
Funding or Financing Entity (if applicable) (Date)

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Progress Estimate - Unit Price Work

Seal Rock Water District - AMI WATER METERING - Schedule 1										Contractor's Application			
For (Contract):										Application #: 7 **FINAL**			
Application Period: 6/7/2018 - END										Application Date: 10/3/2018			
A		B				C		D		E	F		G
Item		Contract Information Estimated Bid Value				Estimated Quantity Installed	Value of Work Installed from Previous Applications (C+D)	Estimated Quantity Installed	Value of Work Installed this Period	Materials Presently Stored (not in C or D)	Total Completed and Stored to Date (C+D+E)	% Complete (F/B)	Balance to Finish (B-F)
Bid Item No.	Description	Item Quantity	Units	Unit Price	Total Value of Item (\$)								
1	Mobilization, Bonds and Insurance	1	LS	\$ 111,781.00	\$ 111,781.00	1.00	\$ 111,781.00		\$ -	\$ -	\$ 111,781.00	100.00%	N/A - FINAL
2	Temporary Controls and Construction Facilities	1	LS	\$ 67,424.00	\$ 67,424.00	1.00	\$ 67,424.00		\$ -	\$ -	\$ 67,424.00	100.00%	N/A - FINAL
3	Demolition and Site Preparation	1	LS	\$ 82,392.00	\$ 82,392.00	1.00	\$ 82,392.00		\$ -	\$ -	\$ 82,392.00	100.00%	N/A - FINAL
4	Foundation Stabilization	10	CY	\$ 53.33	\$ 533.30		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
5	Aggregate Base/Shoulder	50	Tons	\$ 35.56	\$ 1,778.00		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
6	AC Pavement Patch	10	Tons	\$ 216.67	\$ 2,166.70		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
7	Meter Install Type A										\$ -	0.00%	N/A - FINAL
7a	Meter Installation Type A - 5/8" x 3/4"	2000	Ea	\$ 237.38	\$ 474,760.00	1988	\$ 471,911.44		\$ -	\$ -	\$ 471,911.44	99.40%	N/A - FINAL
7b	Meter Installation Type A - 1"	13	Ea	\$ 326.61	\$ 4,245.93	14	\$ 4,572.54		\$ -	\$ -	\$ 4,572.54	107.69%	N/A - FINAL
7c	Meter Type A - New 12x20 Meter Box	0	Ea	n/a	\$ -		\$ -		\$ -	\$ -	\$ -	n/a	N/A - FINAL
7d	Meter Type A - New 12x20 Traffic Box	4	Ea	\$ 483.67	\$ 1,934.68	4	\$ 1,934.68		\$ -	\$ -	\$ 1,934.68	100.00%	N/A - FINAL
7e	Meter Type A - Level Existing Meter Box	327	Ea	\$ 61.11	\$ 19,982.97	68	\$ 4,155.48		\$ -	\$ -	\$ 4,155.48	20.80%	N/A - FINAL
7f	Meter Type A - New Customer Valve	0	Ea	n/a	\$ -		\$ -		\$ -	\$ -	\$ -	n/a	N/A - FINAL
7g	Meter Type A - Adjust Meter Height	204	Ea	\$ 131.68	\$ 26,862.72		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
7h	Meter Type A - Repair Tracer Wire	1	Ea	\$ 92.89	\$ 92.89		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
7i	Meter Type A - MIU Installation	2457	Ea	\$ 140.00	\$ 343,980.00	2002	\$ 280,280.00		\$ -	\$ -	\$ 280,280.00	81.48%	N/A - FINAL
8	Meter Install Type B										\$ -	0.00%	N/A - FINAL
8a	Meter Installation Type B - 5/8" x 3/4"	35	Ea	\$ 1,301.82	\$ 45,563.70	36	\$ 46,865.52		\$ -	\$ -	\$ 46,865.52	102.86%	N/A - FINAL
8b	Meter Installation Type B - 1"	12	Ea	\$ 1,391.05	\$ 16,692.60		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
8c	Meter Type B - New 12x20 Meter Box	10	Ea	\$ 135.73	\$ 1,357.30		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
8d	Meter Type B - New 12x20 Traffic Box	6	Ea	\$ 483.67	\$ 2,902.02	2	\$ 967.34		\$ -	\$ -	\$ 967.34	33.33%	N/A - FINAL
8e	Meter Type B - Level Existing Meter Box	12	Ea	\$ 61.11	\$ 733.32	2	\$ 122.22		\$ -	\$ -	\$ 122.22	16.67%	N/A - FINAL
8f	Meter Type B - New Customer Valve	0	Ea	n/a	\$ -		\$ -		\$ -	\$ -	\$ -	n/a	N/A - FINAL
8g	Meter Type B - Adjust Meter Height	10	Ea	\$ 133.26	\$ 1,332.60		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
8h	Meter Type B - Repair Tracer Wire	1	Ea	\$ 92.89	\$ 92.89		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
8i	Meter Type B - MIU Installation	35	Ea	\$ 154.44	\$ 5,405.40	36	\$ 5,559.84		\$ -	\$ -	\$ 5,559.84	102.86%	N/A - FINAL
9	Meter Install Type C - 1.5" to 3"										\$ -	0.00%	N/A - FINAL
9a	Meter Type C - New 17x30 Meter Box	5	Ea	\$ 902.84	\$ 4,514.20		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
9b	Meter Type C - New 17x30 Traffic Box	6	Ea	\$ 1,588.40	\$ 9,530.40		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
9c	Meter Type C - Level Existing Meter Box	8	Ea	\$ 205.56	\$ 1,644.48		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
9d	Meter Type C - New Customer Valve	0	Ea	n/a	\$ -		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
9e	Meter Type C - Adjust Meter Height	5	Ea	\$ 2,294.44	\$ 11,472.20		\$ -		\$ -	\$ -	\$ -	n/a	N/A - FINAL
9f	Meter Type C - Repair Tracer Wire	1	Ea	\$ 92.89	\$ 92.89		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
9g	Meter Type C - MIU Installation	11	Ea	\$ 203.33	\$ 2,236.63	8	\$ 1,626.64		\$ -	\$ -	\$ 1,626.64	72.73%	N/A - FINAL
10	Meter Install Type D - 6"										\$ -	0.00%	N/A - FINAL
10a	Meter Type D - Repair Tracer Wire	1	Ea	\$ 92.89	\$ 92.89		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
10b	Meter Type D - MIU Installation	4	Ea	\$ 316.67	\$ 1,266.68	3	\$ 950.01		\$ -	\$ -	\$ 950.01	75.00%	N/A - FINAL
11	Tower Gateway Basestation Collectors	1	LS	\$ 160,000.00	\$ 160,000.00	1	\$ 160,000.00		\$ -	\$ -	\$ 160,000.00	100.00%	N/A - FINAL
12	Backhaul Internet Connections	1	LS	\$ 2,000.00	\$ 2,000.00		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
13	SCADA Data Link	0	LS	n/a	\$ -		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
14	Master Water Meter MIU Installation	3	Ea	\$ 120.00	\$ 360.00		\$ -		\$ -	\$ -	\$ -	n/a	N/A - FINAL
15	AMI Analytical Software	1	LS	\$ 69,587.00	\$ 69,587.00	0.82	\$ 57,695.00		\$ -	\$ -	\$ 57,695.00	82.91%	N/A - FINAL
16	Landscape Restoration and Site Cleanup	1	LS	\$ 4,777.78	\$ 4,777.78	1.00	\$ 4,777.78		\$ -	\$ -	\$ 4,777.78	100.00%	N/A - FINAL
	Basic Bid Total				\$ 1,479,589.17		\$ 1,303,015.49		\$ -	\$ -	\$ 1,303,015.49	88.07%	\$ -
	Change Orders												
CO#1 - Item 7i	Meter Type A - MIU Installation	(484)	Ea	\$ 140.00	\$ (67,760.00)		\$ -		\$ -	\$ -	\$ -	0.00%	N/A - FINAL
CO#1 - Item 17	Furnish Only - 520M MIU (District to Install)	484	Ea	\$ 123.00	\$ 59,532.00	495	\$ 60,885.00		\$ -	\$ -	\$ 60,885.00	102.27%	N/A - FINAL
					\$ -		\$ -		\$ -	\$ -	\$ -	#DIV/0!	N/A - FINAL
	Change Order Subtotal				\$ (8,228.00)		\$ 60,885.00		\$ -	\$ -	\$ 60,885.00	-739.97%	\$ -
	Combined Totals				\$ 1,471,361.17		\$ 1,363,900.49		\$ -	\$ -	\$ 1,363,900.49	92.70%	\$ -



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Seal Rock Water District

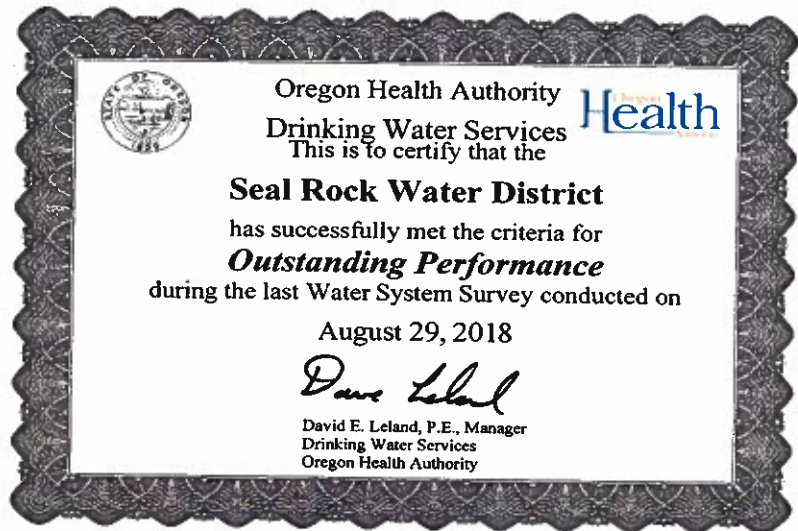
General Manager's Report:
Board Meeting October 11, 2018

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.

OREGON HEALTH AUTHORITY – OUTSTANDING PERFORMER RECOGNITION:

The State of Oregon Health Authority, Drinking Water Program recently recognized Seal Rock Water District as an "Outstanding Performer".

The Drinking Water Program (DWP) has identified criteria for determining whether a Community Public Water System should be considered to have outstanding performance. This designation is given to systems at the completion of a Water System Survey. A water system survey is an on-site in-depth evaluation of system sources, treatment, storage facilities, distribution system, operation and maintenance procedures, monitoring procedures, and management, for the purpose of evaluating the system's capability of providing safe reliable drinking water to the community. The District received this recognition with a certificate from the State of Oregon Health Authority.



PHASE-4 SOURCE WATER PROJECT:

District staff and engineer are working continually with representatives from USDA-RD to certify the District's Biological Assessment (BA) for the Beaver Creek Source Water project. Environmental consultants provided a revised Beaver Creek Biological Assessment to National Marine Fisheries Services (NMFS) on August 28, 2018. NMFS have notified the District that they are in receipt of the revised information and will respond within 30-days with a notice that the BA is complete and acceptable.

District surveyor has surveyed the new route to access the proposed treatment plant 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 the 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.

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

Adam Denfinger, General Manager

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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:

- Biological Assessment (BA) was reviewed and final submittal to NMFS occurred on July 26, 2018.
 - District received a letter from NMFS notifying the District that the BA was insufficient in several areas.
 - On August 28th the District consultants submitted clarification to NMFS regarding the BA through USDA-RD.
 - Geotechnical investigation was completed in June 2018.
 - Easement and access agreements for construction and maintenance have been revised by the engineer for the development of legal description.
 - District staff will continue coordinating with USDA-RD funding representatives to provide information and updates related to the source water project.
 - District crews continue 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.
 - District staff sampled the Beaver Creek point of diversion (POD) for Cyanotoxins (Blue/Green Algae). Results of the samples indicate that Cyanotoxins are not present at the POD.
 - Engineer continues to provide water quality and treatability testing in preparation for developing specification for membrane procurement. Treatability sample were taken on October 2, 2018.
 - Final Design was approved by the Board in June and District staff attended a kick off meeting with the Jacobs design team on July 24, 2018. Staff attended a 30% completion briefing on October 2, 2018.
 - Membrane Procurement RFP was advertised in the DJC on June 29, 2018, Proposal opening was scheduled for August 2, 2018.
 - On August 29th and 30th District staff and engineer interviewed two membrane suppliers.
 - A notice of intent to award the purchase of membrane filtration equipment was released on September 21, 2018.
- **OTHER NOTABLE ACTIVITIES FOR THE MONTHS OF SEPTEMBER/OCTOBER INCLUDE:**
-
- Met with USDA-RD representatives to provide a project update and site visit related to the USDA-RD funded AMI Metering Project.
 - Facilitated District personnel staff/safety meeting.
 - Attended Mid-Coast Integrated Water Resources Coordinating Committee meetings.
 - Hosted regional municipal and water district working group meeting.
 - Attended SDAO Board of Directors meeting in Salem.
 - At the request of the Mid-Coast Water Planning Partnership I attended a meeting with the Governors' Environmental Taskforce Director to discuss challenges to regional water planning with Benton County representatives.
 - Participated in Membrane supplier site visits on September 20th and 21st.
 - Attended site visit to Beaver Creek with our regional OWRD Water Master to discuss water monitoring activities.
 - Met with Makai community Road District representative to discuss Phase-4 project details.

Seal Rock Water District Position Description

Operations Lead

Position Summary

Under the direction and guidance of the General Manager, the Operations Lead is responsible for performing the field work required in operating and maintaining SRWD's water distribution system to include Automated Meter Integration. The Operations Lead performs day-to-day tasks requiring expertise in using a variety of highly technical computer-based technology, machinery, equipment, tools, and materials common to maintenance work while maintaining compliance with the federal, state, and local regulations to ensure a safe, uninterrupted supply of water for SRWD customers.

Essential Duties and Responsibilities

- **Perform Routine daily analytical activities using AMI system analytics** to track system flows at various end-point delivery location. Track, verify and collect data that records conditions that may indicate service lateral leaks as defined by information reported by individual meters. Install, program, and verify operational integration of new system meters.
- **Perform routine construction and maintenance** on SRWD's water storage, transmission, and distribution system including inspecting, troubleshooting, repairing mechanical equipment and system components and performing normal facilities/grounds maintenance tasks.
- **Operate and maintain equipment** essential to the work, including wheel loaders, dump trucks, bulldozers, excavators, pavement saws, trenchers, bobcats, compactor hoes, and backhoes; skillfully use and maintain equipment, tools, and materials normally required in the day-to-day operation of a water distribution system.
- **Perform valve mapping, locating, and maintenance tasks** including installation of new services, tees, valves, and pertinences; service turn-on and turn-off, pipe laying, blocking, paving, service connections and meter installations as well as requisitioning necessary supplies and materials and performing inventory checks.
- **Perform water testing** including drawing and submitting water samples to certified testing lab and demonstrating a working knowledge of EPA and state regulations and their application to SRWD.
- **Maintain tools, equipment, and small parts** for availability as needed in field operations; perform minor vehicle maintenance and routine housekeeping as needed.
- **Coordinate with office staff** on work orders and responses to customer requests/complaints including conducting field verification of data supplied by AMI System Analytics. Work cooperatively with Office Manager and General Manager on various assignments that support the overall mission of the District. Attend meetings, to include Board meetings and provide detailed information related District operation and maintenance activities. Perform a variety of task which include, but not limited to; system improvement plan review, project oversight/management, data tracking and collection for report development, and other duties as assigned.

Operations Lead Position Description

Page 2

Required Knowledge, Skills, Education and Experience

- **Knowledge** of basic mechanical and construction principles, practices, and terminology used in the operation and maintenance of a water distribution system; understanding of the rules/regulations and policies/procedures that govern water distribution including applicable hazard and safety precautions; working knowledge of basic computer operation and standard applications software.
- **Skill** in analyzing data to solve operational problems and demonstrated ability to safely use machinery, equipment, and tools normally involved in water system construction and maintenance work; ability to skillfully perform strenuous outdoor work in adverse weather and job settings; ability to maintain effective working relationships with employees, supervisors, Board members, the general public, and representatives of the business community.
- **Skill** in effective two-way communications, listening and communicating in verbal and written form, and providing highly technical information to the public. Skills in time management and effectively managing multiple priorities. Skill in using common computer applications and ability to master new applications and technologies.
- **Ability** to effectively lead, motivate, and involve others in water related planning activities. Ability to independently plan and coordinate work activities involving other District staff, consultants and contractors. Ability to work effectively under stress, deadlines, and changing situations. Ability to build meaningful professional working relationships with individuals at all levels of organization. Ability to adapt communication style to match a wide range of different individuals' needs.
- **Education and experience** include, as a minimum, graduation from high school or a GED plus one year of specialized training in water treatment and two years of related experience; or, an equivalent combination of education and experience sufficient to successfully perform the duties of the position.

In addition to the above requirements, this position requires the ability to read, write, speak and understand the English language as necessary for the position; the ability to follow written and oral instructions and the ability to interact positively with members of the community and other SRWD employees.

Employees are also expected to possess and maintain a record of orderly, law-abiding citizenship, sobriety, integrity, and loyalty as it pertains to and reflects upon their employment. Employees must be physically and mentally able to perform the essential duties of their position without excessive absences.

Demands of the Position:

- **Physical demands** include the ability to perform strenuous work in varying conditions and circumstances including adverse weather, uncomfortable settings, off-duty hours, and contact with hazardous equipment and materials; frequent bending, kneeling, crouching, crawling, lifting, and driving to local work sites.
- The physical demands and work environment characteristics described here are representative of those an employee encounters while performing the essential functions of the job.

Operations Lead Position Description

Page 3

- Project work will require all-weather physical activity, including, use of basic hand and field tools, navigating in rural areas, and the ability to lift 40 pounds
- Longer workdays may be required when responding to major/minor capital project activities and to accommodate travel outside the District.
- On occasion, work will be required outside of the region, including occasional work weekends or evenings.
- Must maintain a valid Oregon State driver's license

Supervision Required

The Operations Lead reports directly to the General Manager who monitors and evaluates performance and provides direction and guidance to the position as needed.

GRIMSTAD & ASSOCIATES

Certified Public Accountants

September 19, 2018

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To the Board of Commissioners
Seal Rock Water District
Seal Rock, Oregon

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I am pleased to confirm my acceptance and understanding of the services I am to provide Seal Rock Water District (District) for the year ended June 30, 2018. I will audit the financial statements of the business-type activities, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ended June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of my engagement, I will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of the District's Proportionate Share of the Net Pension Liability - Oregon Public Employee Retirement System
3. Schedule of the District's Contributions - Oregon Public Employee Retirement System
4. Notes to the Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) and Contractually Required Contributions
5. Schedule of Funding Progress - Other Postemployment Healthcare Benefits

I have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. I will subject the following supplementary information to the auditing procedures applied in my audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and I will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - All Individual Funds
2. Reconciliation of Revenues and Expenditures (Budgetary Basis) to the Statement of Revenues, Expenses and Changes in Net Position
3. Schedule of Expenditures of Federal Awards

Audit Objectives

The objective of my audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplemental information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on:

- Internal control over financial reporting and compliance with laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CRF) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

In addition, my audit will include procedures to the extent considered necessary to address the comments and disclosures required by the Minimum Standards for Audits of Oregon Municipal Corporations, Oregon Administrative Rules 162-10-000 through 162-10-320, regarding the District's compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320, noncompliance with which could have a direct and material effect on the determination of financial statement amounts; and on the District's internal control over financial reporting. I will issue a written report, the Independent Auditor's Report Required By Oregon State Regulations, upon completion of my audit of the District's financial statements. My report will be addressed to the Board of Commissioners of the District. Providing opinions on the District's compliance and its internal control over financial reporting are not objectives of these procedures to be performed for purposes of this report and, accordingly, no such opinions will be expressed in this report.

My audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of the accounting records, a determination of major programs in accordance with the Uniform Guidance, and other procedures I consider necessary to enable me to express such opinions. I will issue written reports upon completion of my Single Audit. My reports will be addressed to the board of commissioners of the District. I cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for me to modify my opinion or add an emphasis-of-matter or other-matter paragraphs. If my opinion is other than unmodified, I will discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or am unable to form or have not formed an opinion, I may decline to express an opinion or to issue reports or I may withdraw from this engagement.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by me, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material

effect on the financial statements or on major programs. However, I will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that comes to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential, and of any material abuse that comes to my attention. I will include such matters in the reports required for a Single Audit. My responsibility as auditor is limited to the period covered by my audit and does not extend to any later periods for which I am not engaged as auditor.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. I will request written representation from your attorney as part of the engagement, and he/she may bill you for responding to this inquiry. At the conclusion of my audit, I will require certain written representations from you about your responsibility for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Control

My audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that I consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. My tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, I will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that I consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, my tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, I will express no such opinion. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of the District's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and I will not express such an opinion in my report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that I also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. My procedures will consist of tests of transactions and other applicable procedures described in the OMB Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. The purpose of these procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in my report on compliance issued pursuant to the Uniform Guidance.

Other Services

I will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the District in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. I will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements,

schedule of expenditures of federal awards, and related notes services previously defined. I, in my sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to me and for the accuracy and completeness of that information. You are also responsible for providing me with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documents, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that I may request for the purpose of the audit, and (4) unrestricted access to persons within the District from whom I determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to me in the management representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing me of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that I report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include my report on the schedule of expenditures of federal awards in any document that contains and indicates that I have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes my report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with my report thereon. Your responsibilities include acknowledging to me in the representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the

You are also responsible for the preparation of the other supplementary information, which I have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include my report on the supplementary information in any document that contains, and indicates that I have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes my report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with my report thereon. Your responsibilities include acknowledging to me in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to me any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to me corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on my current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services I provide. You will be required to acknowledge in the management representation letter my assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration

I may from time to time, and depending on the circumstances, use third-party service providers in serving your account. I may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, I maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, I will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and I will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that I am unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, I will remain responsible for the work provided by any such third-party service providers.

I understand that your employees will prepare all cash, accounts receivable, and other confirmations I request and will locate any documents selected by me for testing.

At the conclusion of the engagement, I will complete the appropriate sections of the Data Collection Form that summarizes my audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. I will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

I will provide copies of my reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of my reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Signe Grimstad and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an Oversight Agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such

audit documentation will be provided under the supervision of Signe Grimstad's personnel. Furthermore, upon request, I may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Oversight Agency. If I am aware that a federal awarding agency, pass-through organization, or auditee is contesting an audit finding, I will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

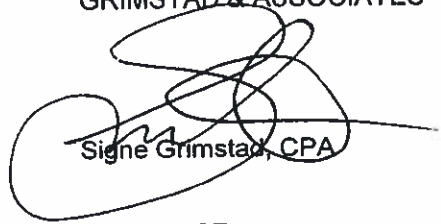
Signe Grimstad is the engagement partner and is responsible for supervising the engagement and signing the reports. My contract fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before I incur the additional cost. My office will bill work in progress upon delivering the audit draft, with the balance due upon the delivery of the final report. In accordance with my firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If I elect to terminate our services for nonpayment, my engagement will be deemed to have been completed upon written notification of termination, even if I have not completed my report. You will be obligated to compensate me for all time expended and to reimburse me through the date of termination.

Government Auditing Standards require that I provide you with a copy of my most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. My 2015 peer review report accompanies this letter.

I appreciate the opportunity to be of service to District and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know. If you agree with the terms of my engagement as described in this letter, please sign the enclosed copy and return it to me.

Very truly yours,

GRIMSTAD & ASSOCIATES



RESPONSE:

This letter correctly sets forth the understanding of Seal Rock Water District.

Governance Signature

Title



READ & BOSE, PC

CERTIFIED PUBLIC
ACCOUNTANTS

System Review Report

To the Owner of
Grimstad & Associates
and the Peer Review Committee of the Oregon Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Grimstad & Associates (the firm) in effect for the year ended June 30, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included an engagement performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Grimstad & Associates in effect for the year ended June 30, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)* or *fail*. Grimstad & Associates has received a peer review rating of *pass*.

Read & Bose PC

January 14, 2016



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

DATE ACTION REQUESTED: October 11, 2018							
Ordinance	Resolution	Motion	X	Information			
Date Prepared: October 3, 2018				Dept.: Field Operation			
SUBJECT: Membrane Filtration Equipment Purchase.				Contact Person for this Item: Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

RECOMMENDED DISTRICT ACTION:

Serving as the Seal Rock Water District Contract Review Board; Consider authorizing the District to enter into agreement with WesTech Inc. for the purchase of Membrane Filtration Equipment.

FINANCIAL IMPACTS:

Membrane Filtration Equipment is being funded through loan and grant proceeds provided by Oregon Business Development Division (OBDD), Safe Drinking Water Revolving Loan Fund (SDWRLF) Program approved by the Board on February 15, 2018. Loan amount \$2,451,000, forgivable Loan Amount \$1,030,000. Adjusted purchase price of membrane equipment is \$922,808.

DISTRICT GOAL:

Prioritize challenges that must be overcome to assure successful operations dependent upon effective source water system operations.

BACKGROUND:

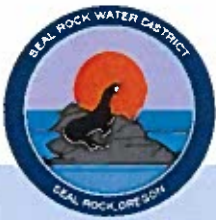
The District received proposals from the following companies for the project by the deadline of 2:00 p.m. on August 2, 2018, with the lump sum prices as shown. As explained in the Request for Proposals, the District considered both cost and non-cost factors in making their selection. The District subsequently conducted phone interviews with two of the firms, Pall Corporation and WesTech. The District also discussed exceptions and adjustments to the scope of supply with these two firms. After careful evaluation of both supplier's, staff and engineer is recommending the Board consider purchasing Membrane Filtration Equipment from WesTech Inc.

Evoqua	\$862,210
H2O Innovation	\$1,528,154
Pall Corporation	\$836,500
WesTech Inc.	\$932,388

A. Denlinger

Submitted By: _____

Adam Denlinger, General Manager



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

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

Date: October 11, 2018

To: Libbie Linton
 WesTech Engineering, Inc.
 3665 S. West Temple
 Salt Lake City, UT 84115

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

RE: Notice of Award for the Finished Water Transmission Pipeline Project

Subject: Notice of Award for the Supply of Membrane Filtration Equipment for the Beaver Creek Water Supply Project for Seal Rock Water District, Oregon

Dear Libbie,

This letter provides notice that the Seal Rock Water District (District) awards the supply of the Membrane Filtration Equipment for the Beaver Creek Water Supply Project to WesTech Engineering, Inc. (WesTech) for a purchase price of \$932,388.

The purchase price is based on the following considerations. The base capital cost was provided in the initial proposal, dated August 2, 2018. The adjustments to the base capital cost were submitted on August 31, 2018, in the Scope Modifications Options document submitted via email from WesTech. Refer to that document for detailed descriptions of the changes.

Base capital cost in proposal = \$932,388
 Cost increase for adding supply of variable frequency drives = \$46,140
 Cost reduction for eliminating hot PLC = \$47,210
 Cost reduction for modifications to the air supply system = \$8,510
Adjusted final cost = \$922,808

Please return three executed copies of the Agreement Form plus the required bonds and insurance certificates within 10 days to the District, as explained in Item 19 of the Instructions to Proposers. Contact our engineer for the project, Paul Berg of CH2M, if you have questions on the needed information to be returned to the District. Once the Agreement has been executed by both parties, the District will issue a Notice to Proceed, which will set the start of the Contract Times.

The District looks forward to a successful project. Thank you.

Sincerely,

Adam Denlinger
 General Manager

C: Jeff Hollen, Attorney at Law; Paul Berg, CH2M HILL

MEMBRANE FILTRATION PREPURCHASE

AGREEMENT FORM

THIS AGREEMENT is between Seal Rock Water District, Oregon ("Buyer") and Westech Engineering, Inc. ("Seller").

Buyer and Seller, hereby agree as follows:

1. GOODS AND SPECIAL SERVICES.

1.1. Seller shall furnish Goods and Special Services as specified or indicated in the Contract Documents. Goods and Special Services to be furnished are described in Section 43 32 55, Membrane Filtration System, Section 40 99 90, Package Control Systems, and Section 26 05 03, Package Electrical Requirements.

2. THE PROJECT.

2.1. The Project for which Goods and Special Services may be the whole or only a part of is generally described as follows: Beaver Creek Water Supply.

3. ENGINEER.

3.1. The Contract Documents for the Goods and Special Services have been prepared by CH2M HILL Engineers, Inc., which has been purchased by Jacobs Engineering Group, which is to act as Buyer's representative, assume all duties and responsibilities, and have rights and authority assigned to Engineer in the Contract Documents in connection with Seller's furnishing of Goods and Special Services.

4. UNCERTAINTY OF FULLY IMPLEMENTING AGREEMENT.

4.1. The Owner intends to implement this full Agreement. However, the Owner will not know the status of its complete financing package until November 2018 or later. Therefore, the Owner and Seller agree that the Owner can discontinue the Agreement after Seller provides approved submittals and coordination with Engineer's design team, with payment for those items, only.

5. COORDINATION WITH GENERAL CONSTRUCTION CONTRACTOR.

5.1. Seller shall coordinate supply of goods and services with yet-to-be-selected general construction contractor, who will have responsibility to install equipment and construct a complete working system.

MEMBRANE FILTRATION PREPURCHASE

6. POINT OF DESTINATION.

6.1. The Point of Destination is designated as the Makai Water Treatment Plant site, located about 8 miles south of Newport, Oregon, and about 1 mile east of Highway 101.

7. CONTRACT TIMES.

7.1. Time of the Essence:

7.1.1. All time limits for Milestones, if any, including submittal of Shop Drawings and Samples, delivery of Goods, and furnishing of Special Services as stated in the Contract Documents are the essence of the Contract.

7.2. Milestones:

7.2.1. Date for Submittal of Shop Drawings and Samples: Seller shall submit Shop Drawings and Samples required by the Contract Documents to Buyer for Engineer's review and approval according to schedule presented in Section 43 32 55, Membrane Filtration System. It is the intent of the parties that:

7.2.1.1. Engineer conduct such review and issue its approval, or a denial accompanied by substantive comments regarding information needed to gain approval, within 20 days of Seller's submittal of such Shop Drawings and Samples; and

7.2.1.2. Resubmittals be limited whenever possible. If more than one resubmittal is necessary for reasons not the fault and beyond the control of Seller as determined by the Engineer, then Seller shall be entitled to seek appropriate relief under Paragraph 7.02.B of the General Conditions.

7.2.2. Date for Delivery of Goods: Deliver Goods to the Point of Destination and ready for Buyer's receipt of delivery on January 15, 2020. The actual delivery date shall be coordinated with the General Contractor for the construction and installation of the treatment plant. Depending on the Owner's financing, the successful bidding of the general construction package, and other factors, the date for delivery may be adjusted by the Owner to as much as 12 months after this date.

MEMBRANE FILTRATION PREPURCHASE

7.3. **Liquidated Damages:** Buyer and Seller recognize that Buyer will suffer financial loss if Goods are not delivered at the Point of Destination and ready for receipt of delivery by Buyer within times specified in Paragraph Date for Delivery of Goods herein, plus any extensions thereof allowed in accordance with Article 7 of the General Conditions. The parties also recognize timely performance of services by others involved in the Project are materially dependent upon Seller's specific compliance with requirements specified in Date for Delivery of Goods. Further, they recognize the delays, expense, and difficulties involved in proving actual loss suffered by Buyer if complete acceptable Goods are not delivered on time. Accordingly, instead of requiring such proof, Buyer and Seller agree that as liquidated damages for delay (but not as a penalty) Seller shall pay Buyer \$5,000 for each day that expires after the time specified in Paragraph Date for Delivery of Goods.

8. CONTRACT PRICE.

8.1. Buyer shall pay Seller for furnishing Goods and Special Services in accordance with the Contract Documents in current funds as follows:

8.1.1. A Lump Sum of \$ 922,808

9. PAYMENT PROCEDURES.

9.1. **Submission and Processing of Payments:** Seller shall submit Applications for Payment in accordance with Article 10 of the General Conditions. Applications for Payment will be processed by Engineer in accordance with the General Conditions.

9.2. **Progress Payments:** Buyer shall make progress payments on account of Contract Price on the basis of Seller's Application for Payment as follows:

9.2.1. Upon receipt of approved submittal and after provision of coordination visits with Engineer's design team, and after Application for Payment submitted in accordance with Paragraph 10.01.A.1 of the General Conditions and accompanied by Engineer's recommendation of payment in accordance with Paragraph 10.02.A of the General Conditions, payment of \$40,000.

9.2.2. Upon delivery of equipment to project site, after receipt of documentation for delivered equipment, and after receipt of Application for Payment accompanied by Engineer's recommendation of payment in accordance with Paragraph 10.01.A.2 of the General Conditions, an amount sufficient to increase total payments to Seller to 80 percent of the Contract Price.

MEMBRANE FILTRATION PREPURCHASE

9.2.3. Upon provision of installation, testing, and startup services, and submission of final O&M manuals, software descriptions, maintenance forms, and other required documentation, and after successful functional and performance testing, and after receipt of application for Final Payment, accompanied by Engineer's recommendation of payment in accordance with Paragraph 10.05 of the General Conditions, an amount sufficient to increase total payments to Seller to 100 percent of the Contract Price, in accordance with Paragraph 10.06.

9.3. Final Payment: Upon receipt of the final Application for Payment accompanied by Engineer's recommendation of payment Buyer shall pay Seller amount recommended by Engineer less sum Buyer is entitled to set off against Engineer's recommendation, including but not limited to liquidated damages.

10. INTEREST.

10.1. All monies not paid when due as provided in Article 10 of the General Conditions shall bear interest at statutory rate.

11. SELLER'S REPRESENTATIONS.

11.1. In order to induce Buyer to enter into this Agreement, Seller makes the following representations:

11.1.1. Seller has examined and carefully studied the Contract Documents and other related data identified in Bidding Documents, as applicable to Seller's obligations to furnish Goods and Special Services.

11.1.2. If required by Bidding Documents to visit Point of Destination and site where the Goods are to be installed or Special Services will be provided, or if in Seller's judgment, any local condition may affect cost, progress or furnishing of Goods and Special Services, Seller has visited the Point of Destination and site where the Goods are to be installed or Special Services will be provided and become familiar with and is satisfied as to observable local conditions that may affect cost, progress, or furnishing of Goods and Special Services.

11.1.3. Seller is familiar with and is satisfied as to Laws and Regulations that may affect cost, progress, and furnishing of Goods and Special Services.

11.1.4. Seller has carefully studied, considered, and correlated information known to Seller; information commonly known to sellers of similar goods doing business in the locality of the Point of Destination and the site where the Goods will be installed or where Special Services will be provided; information and observations obtained from Seller's visits, if any, to the Point

MEMBRANE FILTRATION PREPURCHASE

of Destination and site where the Goods are to be installed or Services will be provided; and any reports and drawings identified in the Bidding Documents regarding the Point of Destination and the site where the Goods will be installed or where Special Services will be provided, with respect to the effect of such information, observations, and documents on the cost, progress, and performance of Seller's obligations under the Contract Documents.

11.1.5. Seller has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Seller has discovered in the Contract Documents, and written resolution thereof by Engineer is acceptable to Seller.

11.1.6. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for furnishing Goods and Special Services.

12. CONTRACT DOCUMENTS.

12.1. Contents: The Contract Documents consist of the following:

12.1.1. This Agreement (pages 1 to 8, inclusive);

12.1.2. Supply Contract Bond (pages 1 to 4, inclusive);

Other Bonds: Performance Bond (pages 1 to 4, inclusive);
Payment Bond (pages 1 to 4, inclusive);

12.1.3. General Conditions (pages 1 to 21, inclusive);

12.1.4. Supplementary Conditions (pages 1 to 7, inclusive);

12.1.5. Specifications as listed in Table of Contents of the Project Manual dated June 2018;

12.1.6. Addenda (Numbers 1 to 4, inclusive);

12.1.7. Exhibits to this Agreement (enumerated as follows):

12.1.7.1. Exhibit X-1 to Agreement between Buyer and Seller dated _____, Assignment of Contract; Consent to Assignment; and Acceptance of Assignment;

12.1.7.2. Seller's Bid solely as to prices set forth therein Proposal Form and Attachments (pages _____ to _____, inclusive); dated August 2, 2018.

12.1.7.3. Documentation submitted by Seller prior to Notice of Award (pages 1 to 6, inclusive); (Scope Modifications Options)

MEMBRANE FILTRATION PREPURCHASE

12.1.8. The following which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto:

12.1.8.1. Notice to Proceed (pages ____ to ____, inclusive);

12.1.8.2. Change Order(s);

12.1.8.3. Work Change Directive(s).

12.2. The documents listed in above are attached to this Agreement (except as expressly noted otherwise above).

12.3. There are no Contract Documents other than those listed above in this Article.

12.4. The Contract Documents may only be amended, or supplemented as provided in Paragraph 3.04 of the General Conditions.

13. MISCELLANEOUS.

13.1. Defined Terms: Terms used in this Agreement will have the meanings indicated in the General Conditions and the Supplementary Conditions.

13.2. Severability: Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Buyer and Seller. The Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

13.3. Seller's Certifications: Seller certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this paragraph:

13.3.1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;

13.3.2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Buyer, (b) to establish Bid or Contract prices at artificial noncompetitive levels, or (c) to deprive Buyer of the benefits of free and open competition;

13.3.3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Buyer, a purpose of which is to establish Bid prices at artificial, noncompetitive levels; and

MEMBRANE FILTRATION PREPURCHASE

13.3.4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

13.4. Limitations:

13.4.1. Buyer and Seller waive against each other, and against the other's officers, directors, members, partners, employees, agents, consultants, and subcontractors, any and all claims for or entitlement to incidental, indirect, or consequential damages arising out of, resulting from, or related to the Contract. The terms of this mutual waiver do not apply to or limit any claim by either Buyer or Seller against the other based on any of the following: (a) contribution or indemnification, (b) costs, losses, or damages attributable to personal or bodily injury, sickness, disease, or death, or to injury to or destruction of the tangible property of others, (c) intentional or reckless wrongful conduct, or (d) rights conferred by any bond provided by Seller under this Contract.

IN WITNESS WHEREOF, Buyer and Seller have signed this Agreement. Counterparts have been delivered to Buyer and Seller. All portions of the Contract Documents have been signed or identified by Buyer and Seller or on their behalf.

This Agreement will be effective on _____ (which is the Effective Date of the Agreement). (date)

Buyer: _____

Seller: _____

By: _____
(Corporate Seal)

By: _____
(Corporate Seal)

Attest: _____

Attest: _____

Address for giving notice:

Address for giving notice:

MEMBRANE FILTRATION PREPURCHASE

(If Buyer is a corporation, attach evidence of authority to sign. If Buyer is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Buyer-Seller Agreement.)

Agent for service of process:

Designated Representative:

Name: _____

Title: _____

Address: _____

Phone: _____

(If Seller is a corporation or a partnership, attach evidence of authority to sign.)

Designated Representative:

Name: _____

Title: _____

Address: _____

Phone: _____

END OF SECTION



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

DATE ACTION REQUESTED: October 11, 2018							
Ordinance		Resolution		Motion	X	Information	
Date Prepared: October 3, 2018				Dept.: Field Operation			
SUBJECT: Agreement with Central Lincoln Peoples Utility District.				Contact Person for this Item: Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

RECOMMENDED DISTRICT ACTION:

Consider approving an agreement between Central Lincoln People’s Utility District (PUD) and Consumer Power Inc. (CPI) for the installation of power infrastructure to supply power to District systems.

FINANCIAL IMPACTS:

Funding for engineering and construction of Phase-4 improvements is available through loan and grant proceeds provided by Oregon Business Development Division (OBDD), Safe Drinking Water Revolving Loan Fund (SDWRLF) Program approved by the Board on February 15, 2018. Loan amount \$2,451,000, forgivable Loan Amount \$1,030,000.

DISTRICT GOAL:

Prioritize challenges that must be overcome to assure successful operations dependent upon effective source water system operations.

BACKGROUND:

To provide power to the South Beaver Creek Bridge CLPUD will need to extend approx. 7000' of three phase power from Hwy 101 to the new water intake site south of the Beaver Creek Bridge. Extension of new power lines extends into Consumer Power Inc. (CPI) territory. This will include approx. 10 switch stands along with necessary trenching. The total connected load for the Proposed Beaver Creek intake is approximately 270KW. The service size and configuration would be 400 amps, 480V, 3- phase.

This attached letter is to confirm CPI is willing to allow CLPUD to serve Seal Rock Water in their territory. CPI would like to tie their North & South single-phase service together in return for using their territory. This would include CLPUD and CPI to share the same trench. Labor and material for CPI in the shared trench shall be covered by trade with Seal Rock Water District. The work cost covered by Seal Rock Water District will extend from a hand hole located at the fork of North Beaver Creek Road and South Beaver Creek Road extending to a hand hole located in the road adjacent to the proposed Intake Facility. Materials and labor beyond the hand holes shall be covered by CPI.

A. Denlinger

Submitted By:

Adam Denlinger, General Manager

Serving Portions of Coos, Douglas, Lane, and Lincoln counties on Oregon's Central Coast



2129 N. Coast Hwy • P.O. Box 1126 • Newport, Oregon 97365-0090 • 541-265-3211 • clpud.org

August 21, 2018

To Whom It May Concern,

I am writing in regards to the new site plans for Seal Rock Water facilities east of the Makai community, located where an abandoned water storage tank currently exists. The second site is located on South Beaver Creek Road just downstream of the South Beaver Creek Bridge. The location at the South Beaver Creek Bridge resides in CPI territory. Seal rock Water would like to supply both sites with power from the same utility since the two sites work together.

To provide power to the South Beaver Creek Bridge CLPUD will need to extend approx. 7000' of three phase power from Hwy 101 to the new water intake site south of the Beaver Creek Bridge. This will include approx. 10 switch stands along that stretch. The total connected load for the Proposed Beaver Creek intake is approximately 270KW. The service size and configuration would be 400 amps, 480V, 3-phase.

This letter is to confirm CPI is willing to let CLPUD serve Seal Rock Water in their territory. CPI would like to tie their North & South single phase service together in return for using their territory. This would include CLPUD and CPI to share the same trench. Labor and material for CPI in the shared trench shall be covered by the trade, by Seal Rock Water District. The work cost covered by Seal Rock Water District shall go from a hand hole located at the fork of North Beaver Creek Road and South Beaver Creek Road extending to a hand hole located in the road adjacent to the proposed Intake Facility. Materials and labor beyond the hand holes shall be covered by CPI."

I am providing an overall site plan which provides some detail regarding the location of the intake, treatment facility, and raw water pipeline.

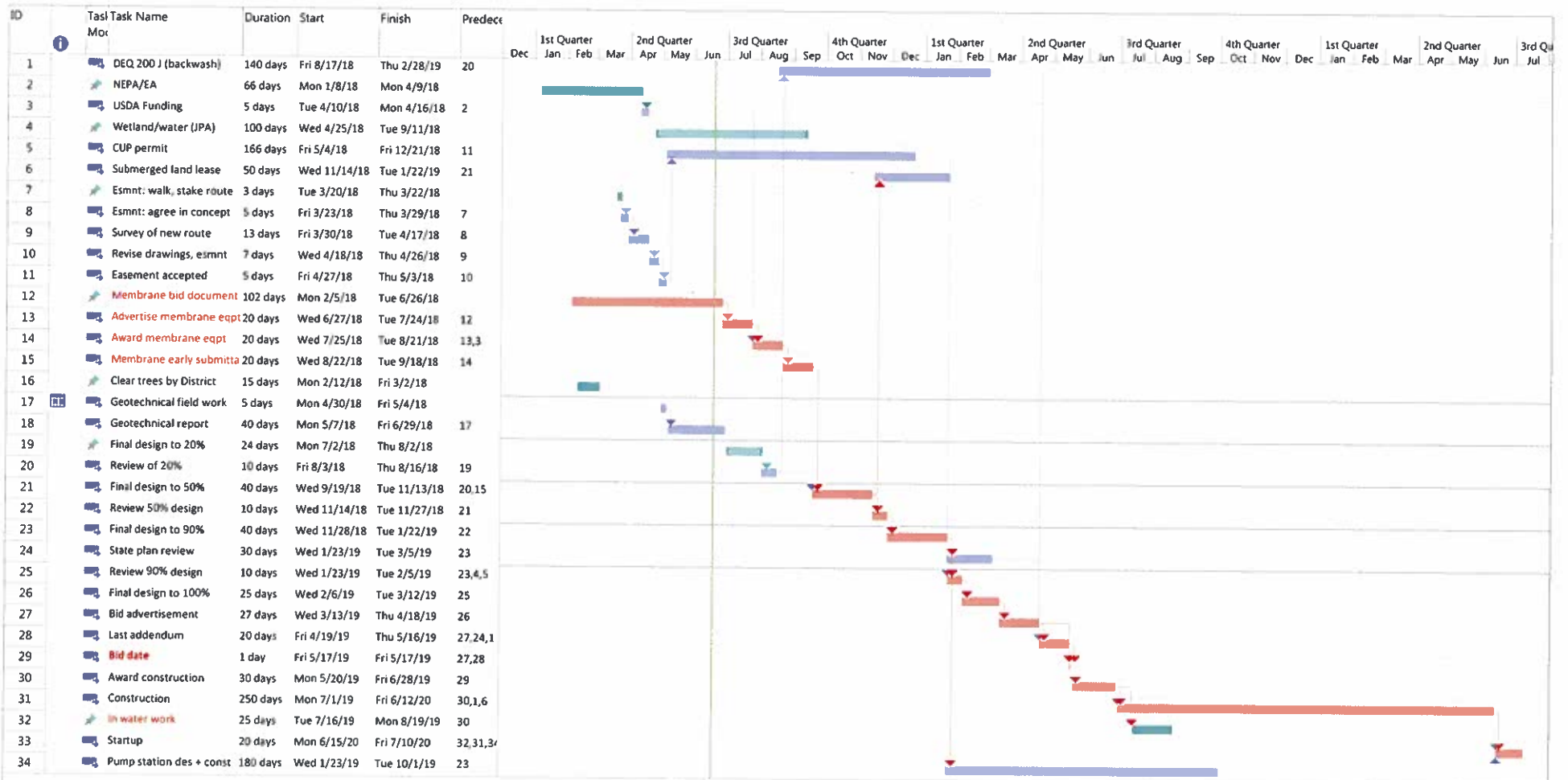
Please sign below if you agree to these terms.

Adam Denlinger
General Manager
Seal Rock Water Dist.

Roman Gillen
General Manager
Consumers Power Inc.

Sincerely,

Faye Murphy
Distribution Engineering Technician
541-574-3601 (office), 541-662-6039 (cell)



Project: Seal Rock overall sched
Date: Tue 6/19/18

Task		Inactive Task	Manual Summary Rollup		External Milestone		Manual Progress	
Split		Inactive Milestone	Manual Summary		Deadline			
Milestone		Inactive Summary	Start-only		Critical			
Summary		Manual Task	Finish-only		Critical Split			
Project Summary		Duration-only	External Tasks		Progress			



October 1, 2018

Board of Directors
Seal Rock Water District
PO Box 190
Seal Rock, Oregon 97376

Re: 2018 Lincoln County Commissioner Candidate – Position 1 - Introduction

Dear Board Chairman:

Please accept this letter and candidate information leaflet as introduction for my candidacy for the 2018 Lincoln County Commissioner, Position 1. *Please note I am NOT soliciting funds from any individual or organization; I have chosen to run a fiscally conservative campaign.*

A positive and collaborative relationship, as one of the three elected County Commissioners, with your organization is vital to the stability and betterment of those we serve and our stewardship of our local programs and natural resources.

I am open to your organization to answer any questions you may have about my experiences, the interest I have in strengthening community partnerships with organizations such as yours and value I would bring to our local government position if elected.

Feel free to contact me through email, phone or in person or attend one of my Meet the Candidate sessions scheduled in each of our communities. Please note I will be available to return inquiries outside of my 8am – 5pm standard working day as a local government employee.

Respectfully,

Virginia "Jenny" Demaris
26369 Hwy 20
Eddyville, Oregon 97343
(541) 272-7028
votedemaris2018@gmail.com

36



I have a desire to build a better future for our county and respectfully submit my candidacy to serve as your next County Commissioner.

My professional, volunteer and elected roles as a county department manager, hospital patient services advocate, school board representative, and volunteer fire/first responder, have instilled in me the following public service principles:

- advocacy for individuals, families, businesses, employees and natural resources
- community-developed plans for long range growth
- cost effective quality outcomes
- benchmarking results to ensure we are meeting the expectations of those we serve

These roles and experiences have prepared me for this leadership position in our county government.

As your County Commissioner, I will bring these principles and strengths to this position:

- a proven public servant
 - a fiscally conservative outlook
 - a creative planner using limited resources
 - a skilled facilitator of partnerships and programs
 - a strong presenter of our local priorities and needs to state and federal partners
 - an experienced communicator
- an advocate of transparency in local government

Volunteer Service:

- Fire/First Responder, Toledo Fire and Rescue (since 2010)

Elected/Appointed Office:

- Lincoln County School District Board Dir. (2017- 4 year term)
- Eddyville Charter School Board Director (8 years)

Work Experience:

- Lincoln County Department Manager – Sheriff’s Office Emergency Management Division (2011-current)
 - o Public Health Emergency Preparedness Coordinator (2014-current) dual role with County Emergency Mgmt.
- Hospital Operations: administration, finance, risk/legal, personnel, facilities, and emergency preparedness (22 years)

I have chosen to run a fiscally conservative campaign and will not be soliciting funds from individuals or businesses. If you would like to support my campaign, the best ways to help me are:

- Let others know you support my campaign
- Help me distribute campaign information to community groups and individuals who might not know me
- Attend one of my Meet the Candidate sessions
- Submit a letter to the Editor on why you think I should be your next County Commissioner

I look forward to discussing the concerns and ideas of community members, sharing more about my experiences and how I can best serve as your next County Commissioner.

Virginia “Jenny” Demaris

Phone: (541) 272-7028

Email: votedemaris2018@gmail.com

Candidate Info Site:

<https://tinyurl.com/2018demaris>

Facebook: [Jenny Demaris-Candidate](#)

Mailing Address:

26369 Hwy 20

Eddyville, OR 97343



MEET THE CANDIDATE SESSIONS

Virginia "Jenny" Demaris
Lincoln County Commissioner – Position 1

Community members, business representatives, property owners, caretakers of our vulnerable populations, and stewards of our natural resources are invited to stop by at my 'Meet the Candidate – Jenny Demaris' sessions to learn more about me and have your questions answered.

My thanks go out to my supporters who are helping to host these sessions in their local communities.

Virginia "Jenny" Demaris

Phone: (541) 272-7028

Email: votedemaris2018@gmail.com

Candidate Info Site:

<https://tinyurl.com/2018demaris>

Facebook: [Jenny Demaris-Candidate](#)

Mailing Address:

26369 Hwy 20, Eddyville, OR 97343



Date	Time	Community Location
Sun. Oct. 7 th	12:30–2:00pm	Siletz Library 255 Gaither Street
Sun. Oct. 7 th	3:00–5:00pm	Toledo Library 173 NW 7 th Street
Sun. Oct. 14 th	12:30–2:00pm	Yachats Commons 441 Hwy 101 North
Sun. Oct. 14 th	3:00–5:00pm	Waldport Community Center 265 NW Hemlock St.
Sun. Oct. 28 th	1:00–2:30pm	Depoe Bay Community Hall 220 Bay Street
Sun. Oct. 28 th	3:00–5:00pm	Newport Library 35 NW Nye Street
Sun. Nov. 4 th	1:00–3:00pm	Lincoln City Driftwood Public Library 801 SW Hwy 101

Important Election Dates & Information:

- Voter Registration Deadline – Oct. 16th
- Ballots Mailed – Oct. 18th
- Election Day – Nov. 6th
- County Clerks Office:

www.co.lincoln.or.us/clerk





UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
 NATIONAL MARINE FISHERIES SERVICE
 West Coast Region
 Oregon Washington Coastal Area Office
 7600 Sand Point Way N.E., Bldg. 1
 Seattle, WA 98115

Refer to NMFS No.:
 WCR-2018-10398

October 5, 2018

Michael Beyer
 U.S. Department of Agriculture
 Rural Development Loan Program
 1220 SW 3rd Avenue, Suite 1801
 Portland, Oregon 97204

Re: Endangered Species Act Section 7(a)(2) Biological Opinion and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response for the Beaver Creek Raw Water Supply Intake Project, Beaver Creek, Lincoln County, Seal Rock, Oregon (6th Field HUC 171002050501)

Dear Michael Beyer:

This letter is in response to your July 20, 2018, request for formal consultation under the Endangered Species Act (ESA) for the proposed Beaver Creek Raw Water Supply Intake project. On August 28, 2018, the National Marine Fisheries Service (NMFS) received a complete biological assessment (BA) from the USDA Rural Utility Service (RUS) with a determination of effects that the proposed action may affect, likely to adversely affect (LAA) Oregon Coast (OC) coho salmon (*Oncorhynchus kisutch*) and may affect, but not likely to adversely affect designated critical habitat.

This letter is to inform you that your consultation initiation request package contained sufficient information and we consider the consultation initiation package complete. NMFS has begun working on the draft biological opinion. We have assigned NMFS log number WCR-2018-10398 to this project. Please refer to that number in future correspondence on this consultation. We also acknowledge that in your letter, RUS has identified the Seal Rock Water District as the applicant pursuant to 50 CFR 402.

As a reminder, the ESA requires that after initiation of formal consultation, the RUS may not make any irreversible or irretrievable commitment of resources that limit future options. This ensures that Federal agency actions do not preclude the formulation or accomplishment of reasonable and prudent alternatives that avoid jeopardizing the continued existence of endangered or threatened species or destroying or modifying their critical habitats.



The RUS has identified Adam Denlinger, as an applicant and Dana Larson, as the designated nonfederal representative for the purpose of consultation. We request that RUS provide the applicant and the designated nonfederal representative with a copy of this letter.

Please direct questions regarding this letter to Jennie Franks in the Oregon Coast Branch of the Oregon Washington Coastal Office at 503.231.2344.

Sincerely,



for
Barry Thom
Regional Administrator

cc: Sam Goldstein, USDA
Holly Halligan, USDA