

SEAL ROCK WATER DISTRICT
Regular Board Meeting
Thursday, April 11, 2019 @ 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 | March / April – 2019 |
| • Board Meeting Minutes | March 14, 2019 |
| • Special Work Session Board Meeting Minutes | March 28, 2019 |
| • Financial Report / Approve Invoices | March / April – 2019 |
| • USDA Project Monitoring Report #42 | April 2019 |
| • General Manager's Monthly Report | March / April – 2019 |

4. Discussion and Information Items:

- Consider City of Waldport proposed distribution system interconnection project.
Presented by: Scott Andry, City of Waldport Public Works Director
Mike Faught, Manager - Oregon Operations | Dig Deep Research

- Consider Replacement and Repair Easement agreement with the Makai Special Road District.
Presented by: Adam Denlinger, General Manager
Tom Ryan, Makai Road District President

- Consider National Marine Fisheries Services, Beaver Creek Biological Opinion (BiOp).
Presented by: Adam Denlinger, General Manager
Dana Larson, Jacobs Engineering

5. Decision Items:

- Consider Proposed Corrected Wholesale Water Rate Adjustment, Settlement Agreement.
Presented by: Adam Denlinger, General Manager
Jeff Hollen, Ouderkerk & Hollen

- Consider refinancing Cashmere Valley Bank borrowing with GO Bond Proceeds.
Presented by: Adam Denlinger, General Manager

6. Reports, Comments and Correspondence:

- Budget Committee Meeting April 18, 2019

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

The SRWD Board will now meet in Executive Session, pursuant to ORS 192.660(2)(h); To consult with legal counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed; and (e) To conduct deliberations with persons designated by the governing body with regards to real property transactions.

8. Adjournment: Next Meeting: May 9, 2019 @ 4:00 p.m. Regular Board Meeting or establish date.

ORIGINAL

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
01-5272						
AT&T MOBILITY	03282019	Wireless	03/20/2019	215.08	.00	
Total 01-5272:				215.08	.00	
01-5291						
US POSTAL SERVICE - WALDP	032219	Bulk Mailing	03/22/2019	824.23	.00	
Total 01-5291:				824.23	.00	
01-5310						
TCB SECURITY SERVICES INC.	227080	Answering/Dispatch Services Mon	03/28/2019	40.00	.00	
TCB SECURITY SERVICES INC.	227080	Answering/Dispatch Services Lev	03/28/2019	3.30	.00	
Total 01-5310:				43.30	.00	
01-5610						
CENTRAL LINCOLN P U D.	032019	Utility Services x 15	03/20/2019	2,949.01	.00	
Total 01-5610:				2,949.01	.00	
03-5715						
DEPARTMENT OF ENVIRONME	WQDFC19-018	Beaver Creek Water Supply-Wate	03/15/2019	985.00	.00	
Total 03-5715:				985.00	.00	
Grand Totals:				5,016.62 ✓	.00	

Dated: March 28, 2019

General Manager: A. Dandy

Dated: _____

Treasurer: _____

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ORIGINAL

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
01-5634						
OCEANSIDE CLEANING CO LL	101	Janitorial Service	02/28/2019	300.00	.00	
Total 01-5634:				300.00	.00	
Grand Totals:				300.00	.00	

Dated: March 15, 2019

General Manager: A. Woods

Dated: _____

Treasurer: _____

ORIGINAL

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
01-1310						
RICK JERMAIN	033119	Refund Overpaid Final Bill	03/31/2019	222.03	.00	
Total 01-1310:				222.03	.00	
Grand Totals:				222.03	.00	

Dated: APRIL 5, 2019

General Manager: *[Signature]*

Dated: _____

Treasurer: _____

**SEAL ROCK WATER DISTRICT
MINUTES OF THE Regular Board Meeting
March 14, 2019**

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Call Regular Board Meeting: President John Garcia called the regular board meeting to order at 4:00 p.m., Thursday, March 14, 2019.

Present: President John Garcia; Commissioner Glen Morris, Treasurer; Commissioner Rob Mills, member; Commissioner Sandra Mies-Grantham, Secretary. Staff: Adam Denlinger, General Manager; Joy King, Office Manager. Jeff Hollen, Legal Counsel. See sign in sheet for public attendance.

Excused Absences: Commissioner Karen Otta

Announcements: None

Public Comments: None

Presentation: District staff Trish Karlsen and Brendi Hargrove showed a slide presentation of the newly implemented Customer Portal to the Board. Customers are encouraged to sign up for the Portal to be able to check their water usage and to set up alerts to receive notification if their water usage is unusually high. In doing so they will be able to check for leaks sooner before the problem gets worst.

Agenda Calendar: Items on the consent calendar are Invoice Lists for February/March 2019; February 14, 2019 Regular Board Meeting Minutes; February/March 2019 Financial Report/Invoices to approve; USDA Project Monitoring Report No. 41; and General Manager's Report. Commissioner Rob Mills motioned to approve the Consent Calendar. Motion was seconded by commissioner Glen Morris. Motion carried 4 – 0.

Discussion and Information Items:
Settlement Agreement: Adam Denlinger, GM explained to the Board that the wholesale rate approved by the City Council on Dec 5, 2018 through resolution decreasing the water rate to \$3.24 effective January 1, 2019, was calculated in error. On January 28, the District received an email from the City of Toledo with several attachments related to a potential water rate increase. The same email advised the District of an intent to submit to the City Council a "Requests for Council Action" on Feb 6, 2019 to raise the water rate effective Mar 1, 2019. On Feb 5 and Feb 19 District staff to include; Adam Denlinger and Joy King with two commissioners, Rob Mills and Sandra Mies-Grantham, and the District's legal counsel met with City of Toledo staff, Craig Martin, City Manager, and Mike Adams, PWD with City Mayor, Rod Cross and City Council President, Joshua Smith and the City's legal counsel to discuss a proposed Water Rate Settlement Agreement to adjust the rate proposed by the City, that covers the rate from Jan 1, 2019 through April 30 to be \$3.24 per 1,000 gallons. The rate from May 1 through Dec 31, 2019 shall be \$3.89 per 1,000 gallons. This Water Rate Settlement Agreement was presented to the Board for discussion. Also, for Board discussion was a draft Water Rate Settlement Agreement drafted by the District legal counsel, Jeff Hollen that includes the rates drafted by the City and proposed rates by the District for Jan 1, 2020 through October 31, 2020 and the rates beyond October 31, 2020. Representatives from the City were asked if there's anything they would like to discuss, and they acknowledged that the GM had already discussed them. Commissioner Glen Morris motioned to bring this item forward at the next April meeting. Commissioner Rob Mills seconded the motion. The City legal counsel, David Robinson asked the GM, Adam Denlinger, why the Water Rate Settlement Agreement wasn't being approved tonight when he was told that it will be approved, that's the reason why they came and attended the meeting. The GM made it clear that staff doesn't have authority to make decisions for the Board with regards to policy. The GM explained that the District holds its regular monthly board meeting once a month and staff presents items for information and discussion which the Board takes final action the following regular monthly board meeting. Commissioner Glen Morris asked if there's a problem if this item is tabled for the next Board meeting. The CM, Craig Martin replied that there's no

problem. After the discussion a vote of 4 passed the motion in favor of placing this item on the agenda for final action at the April regular monthly meeting.

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Refinancing:

Adam Denlinger, GM discussed with the Board the possibility of refinancing the District's \$2M Line of Credit with Cashmere Valley Bank through USDA-RD. The total drawn amount at this time is \$1,616,500 and USDA indicates they will be able to include the refinancing with the loan and grant that the District is applying for to finance part of the Phase IV Source Water Project. Doing this will give the District a better chance of getting a higher grant and will save the cost of another loan processing. The District only has \$6,549,000 remaining General Obligation Authority, and it was discussed with USDA representative that it might be necessary to issue a Revenue Bond for the refinancing to be part of the current loan and grant application.

**Decision Items:
Audit Report:**

Joy King reported that the FY 2017-18 Audit report has been completed and filing requirements with the State Audit Division, and Continuing Disclosure Requirement for the publicly issued General Obligation Bonds has been filed with Electronic Municipal Market Access (EMMA) Portal through Municipal Securities Rule Making Board (MSRB) website. Commissioner Glen Morris motioned to approve the FY 17-18 Audit Report. Motion was seconded by Commissioner Sandra Mies-Grantham. Motion carried 4-0.

Engagement Letters:

USDA Rural Utilities Services Bulletin 1780-7 requires the District to have contracts with consultants who provide professional services to the District.

Audit Services:

Grimstad and Associates with Signe Grimstad as the main Municipal Auditor submitted a service proposal fees audit services for 3 years starting with fiscal year ending 6/30/19. Commissioner Sandra Mies-Grantham motioned to authorize the General Manager to execute the Auditor Services Agreement. Commissioner Glen Morris seconded the motion. Motion carried 4-0.

Bond Counsel:

Hawkins Delafield and Woods submitted an Engagement Letter to perform Bond Counsel Services for the interim loan needed for Phase IV Source Water Project and an Engagement Letter for Bond Counsel services for General Obligation Bond issuance with USDA. Commissioner Rob Mills motioned to authorize the General Manager to execute Letters of Engagement with Hawkins Delafield and Woods. Motion was seconded by Sandra Mies-Grantham. Motion carried 4-0.

Streamflow Monitoring:

GSI Water Solutions submitted Scope and Cost Estimate for Water Temperature Support for Year 2 in Beaver Creek for Water Right Permit S-55012 and Scope and Cost Estimate for Streamflow Monitoring Support on Beaver Creek for Water Use Permit S-55012. Oregon Water Resources Department (OWRD) requires the District prior to initiating water diversion from Beaver Creek to monitor the water temperature and streamflow for 5 years and submit an annual report of the data collected to the OWRD. Motioned by Commissioner Glen Morris to approve Scopes of work provided by GSI Water Solutions and authorize the General Manager to execute the agreement. Motion seconded by Commissioner Rob Mills. Motion carried 4-0.

Reports & Comments:

Budget Committee Meeting is scheduled on April 18, 2019 at 6 pm.

The District submitted to OWRD its Water Management and Conservation Plan (WMCP) on May 14, 2014. As part of the Final Order approving the District's 2014 WMCP, the District is required to submit a 5 years WMCP Progress Report. With support from District staff, GSI Water Solutions completed the WMCP Progress Report which included the highlights of the District's water conservation efforts over the past 5 years; the District's average monthly and daily diversions for FY 2012-13 through FY 2017-18; demand and consumption from 1982 through 2012; annual metered consumption by customer category from 2012 through 2018; and water loss from FY 2012 through 2018. For FY 2012-13 the water loss was 21.5% and for FY 2017-18 the water loss was 12.2%.

Easements:

The easement for the intake site owned by David Young is almost completed and Mr. Phelps has already signed the easement. District staff and the District's legal counsel are working with the other property owners to obtain the needed easements.

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Adjournment: Commissioner Glen Morris motioned to adjourn the meeting. President John Garcia adjourned the meeting at 5:04 p.m.

Next Board Meeting: April 11, 2019 at 4:00 p.m. Regular Board Meeting. April 18, 2019 at 6 p.m. Budget Committee Meeting.

Approved by Secretary _____ Date _____

**SEAL ROCK WATER DISTRICT
MINUTES OF THE SPECIAL Work Session Board Meeting
March 28, 2019**

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Call Regular Board Meeting: President John Garcia called the regular board meeting to order at 2:00 p.m., Thursday, March 28, 2019.

Present: President John Garcia; Commissioner Glen Morris, Treasurer; Commissioner Rob Mills, member; Commissioner Sandra Mies-Grantham, Secretary. Staff: Adam Denlinger, General Manager; Joy King, Office Manager. See sign in sheet for public attendance.

Excused Absences: Commissioner Karen Otta

Announcements: None

Public Comments: None

Discussion and Information Items:

Biological Opinion: Adam Denlinger, GM reported to the Board that the District can expect to receive the Biological Opinion (BiOp) from National Marines and Fisheries Services by April 5, 2019. The delay in issuing the BiOp could potentially affect critical paths of the project like in-water work schedule.

Dana Larson, a consultant from Jacobs Engineering said that she has been keeping USDA and the District informed of the BiOp processing. The Federal Government shut down that lasted 34 days has caused a delay with NMFS review of the Biological Assessment before they can issue the BiOp. There's not a whole lot of available data on Beaver Creek so NMFS asked for more data. Ken Phippin understands the impact of the delay and has committed to releasing the BiOp on April 5, 2019. There will be conditions, but we will not know what those are until the BiOp is released. The conditions might be water monitoring that the District is already doing as a condition with OWRD (Oregon Water Resources Department) and DEQ. The District's Biological Assessment submitted to NMFS mentions what the District has committed under the OWRD requirements. If there is a condition that is too burdensome, it can be corrected by simply communicating with NMFS.

Paul Berg, Jacobs engineer discussed the sequence of the original project schedule. According to schedule the bid documents would be out for publication in April and and the process could take 5 to 6 weeks including USDA review of the bid documents before it goes out for advertisement. Bids will be received in May and needs 6 weeks to process the Notice of Intent to Award, Notice to Award and then Notice to Proceed. The contractor needs time to put together a formal submittal and secure insurance and bonds which could take 8 weeks. The in-water work will start on July 1 through Sept 1 and finished by Sept 15. But because of the delay the in-water work could be pushed to the following year in-water work period. Getting an in-water work extension was discussed. It depends on the condition at that time if the extension will be approved. Some things that will be considered are the amount of rain and if the fish are moving at that time.

Funding: The District's USDA Application for funding has been completed and accepted by USDA. A letter dated Mar 26, 2019 was received by the District with USDA determination that the District's Source Water Project is eligible for funding by USDA. One of the conditions of USDA before funding the project is that the necessary easements are in place. By late April and May, the national pooling by the federal government will take place. USDA funds not used will go back to the federal government. USDA staff are working hard to help the District meet all the requirements, so they can obligate the funds for the District. The application will need to be reviewed by the Federal level because the dollar amount is higher than what the state level can approve. District staff will continue to respond to USDA requests of information in preparation for the Federal level review of the application.

Conditional Use Permit: Dana Larson discussed the importance of the strategy of getting the conditional use permits (CUP) from the county which need the signatures of the property owners. It was recommended to process the CUP application at the same time that the easements will be negotiated since the property owners for the easements will also need to sign the CUP. The GM will work on completing the CUP application.

65 Recessed Special
 66 Session: President John Garcia recessed the Special Work Session and convened at 2:50 pm an
 67 Executive Session pursuant to ORS 192.660(2)(e)(h) To consult with legal counsel
 68 concerning the legal rights and duties of a public body with regard to (e) To conduct
 69 deliberations with persons designated by the governing body with regards to real property
 70 transactions. (h) To consult with District legal counsel regarding our legal rights and duties in
 71 regard to current litigation or litigation that is more likely than not to be filed.

72 Convened Special
 73 Session: President John Garcia adjourned the Executive Session at 3:15 pm and convened the
 74 Special Session.

75 Easements: President John Garcia appointed Jeff Hollen and Adam Denlinger to negotiate with the
 76 property owners in obtaining the needed easements for the Source Water Project and report
 77 the progress back to the Board at the April regular board meeting. The Board stressed the
 78 importance of completing the easement transaction to comply with USDA requirement and to
 79 avoid any additional project delays.

80 Settlement
 81 Agreement: The GM mentioned that the Settlement Agreement submitted by the City of Toledo will be
 82 included on the agenda for the April 11, 2019 regular Board meeting. The scheduled Mar. 27
 83 meeting with the City of Toledo was cancelled due to conflict of schedule. The next meeting
 84 will be on April 9, 2019 at 11 am at the District conference room. The near-term water rates
 85 and the rates after Oct. 2020 will be discussed.

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 88 Adjournment: Commissioner Sandra Mies-Grantham motioned to adjourn the meeting. President John
 89 Garcia adjourned the meeting at 3:20 p.m.

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 91 Next Board Meeting: April 11, 2019 at 4:00 p.m. Regular Board Meeting. April 18, 2019 at 6 p.m. Budget
 92 Committee Meeting.

100 Approved by Secretary _____ Date _____
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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
01-5064						
GLEN MORRIS	113	Stipend	04/11/2019	50.00	.00	
JOHN GARCIA	111	Stipend	04/11/2019	50.00	.00	
KAREN OTTA	29	Stipend	04/11/2019	50.00	.00	
ROB MILLS	112	Stipend	04/11/2019	50.00	.00	
SAUNDRA MIES-GRANTHAM	112	Stipend	04/11/2019	50.00	.00	
Total 01-5064:				250.00	.00	
Grand Totals:				250.00	.00	

Dated: April 8, 2019

General Manager: *B. W. [Signature]*

Dated: _____

Treasurer: _____

Date: 4/1/19

Monthly Statistics		Comments	
Total customers	2568	Includes new connection Less Abandoned / Forfeited meter plus 3 SRWD meters (shop X 2 & office) plus 1 Hydrant meter	
New connections	1		
Reinstalls	1		
Abandonments / Forfeitures / Meter Removed	0		

Financial Report	Checking/MM	LGIP/PFMA	Fund Balances	Comments
General	\$215,526.25	\$16,897.15	\$232,423.40	
Bond	\$766,171.56	\$0.00	\$766,171.56	
Capital Projects	\$329,091.47	\$344,586.16	\$673,677.63	\$2,691,821.79 G.O. Bond Proceeds;
Revenue Bond	\$2,714.08	\$16,093.97	\$18,808.05	
Rural Development Reserve	\$0.00	\$50,552.88	\$50,552.88	
Dist. Office/Shop Reserve	\$2,524.90	\$137,631.91	\$140,156.81	
Depreciation Reserve	\$0.00	\$140,693.16	\$140,693.16	
SDC (formerly SIP)	\$0.00	\$381,783.98	\$381,783.98	\$893,076.00 SDC collections thru 3/31/19
Water Source Improvement Rsv	\$0.00	\$874,484.09	\$874,484.09	
TOTALS	\$1,316,028.26	\$1,962,723.30	\$3,278,751.56	

General Fund Review	Current	FYTD	Budgeted Amount	Comments
Revenue	\$142,247.43	1,508,279.19	\$2,533,700.00	
Expenses	\$116,792.98	1,461,237.50	\$2,533,700.00	Contingency \$100,000; Transfers \$640,000. Total expenses budgeted \$1,893,700.
Net Gain or (Loss) from Operations	\$25,454.45	\$47,041.69		

Water Sales Revenue Comparison	Month	FYTD	Comments
Projected Water Sales	\$130,887	\$1,321,107	Leak Adjustments & Billings Adjustments (YTD = July - June)
Actual + In Lieu of Water Sales Less H2O CR	\$134,020	\$1,368,039	Less: Billing Adj YTD -\$99.09; Leak Adj YTD \$1407.33
Over or (Under)	\$3,133.18	\$46,932.46	TOTAL YTD ADJUSTMENTS \$1,308.24

Gallage Comparison	Current	Prior Year	Cost Comparison	Current	Prior Year
Gallons Purchased	6,178,000	8,173,000	Toledo Charges	\$20,016.70	\$27,788.20
Gallons Sold (includes accountable loss)	6,088,886	6,278,306	SRWD Sales	\$129,023.55	\$131,234.07
Variance %	1.44%	23.18%	Ratio: Sales/Cost	6.45	4.72
Accountable Water Loss (gallons)	725,000		City of Newport Intertie Usage	0	

Approval To Pay Bills	Payroll 3/1/19 \$20,137.70	Payroll 3/15/19 \$23,311.11	Payroll 3/29/19 \$19,762.90
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Month of:	March (after meetings)	April	
GF A/P	\$4,253.65	GF A/P \$54,884.47	up to 4/4/19
CPF A/P	\$0.00	CPF A/P \$6,221.86	Surfland Repairs
City of Toledo	\$0.00	City of Toledo \$0.00	
Bond Fund	\$0.00	Bond / Rev Bond Fund \$0.00	
Depreciation Rsv	\$0.00	Depreciation Rsv \$0.00	
AMI Project-Phase 3	\$0.00	AMI Project-Phase 3 \$0.00	
Master Plan - Phase 3	\$0.00	Master Plan - Phase 3 \$0.00	
MP - Phase 4 (IFA)	\$985.00	MP - Phase 4 (IFA) \$211,409.67	
Prelim. MP- Phase 4	\$0.00	Prelim. MP- Phase 4 \$5,211.25	
Water Source Impr.	\$0.00	Water Source Impr. \$0.00	

Monthly Accrual Statistics	Beg. Balance	Accrued	Used/Paid	Balance
	2/28/2019			3/31/2019
Office Overtime Hours (2-01)	0.00	0.00	0.00	0.00
Field Overtime Hours (2-02)	0.00	3.00	3.00	0.00
PTO (3-01)	2010.76	182.79	182.25	2011.30
Comp Time (9-01 / 9-02)	115.39	47.62	11.75	151.26

Project Monitoring Report With Exhibit A and Invoices Date: 03/01/19-03/31/19	Type of Request <u>Final</u> <input checked="" type="checkbox"/> <u>Partial</u> <input type="checkbox"/>	Report Number 42
Borrower: SEAL ROCK WATER DISTRICT		
Address: P. O. Box 190 Seal Rock, Oregon 97376		

BUDGET ITEMS	STATUS OF				BUDGET		
All entries under column b must be justified with an attachment. All entries under column e must be documented with attached invoice.	PROGRAMS	FUNCTIONS	ACTIVITIES				
	(a) Budgeted Amounts	(b) Budget Change	(c) Revised Budget	(d) Previous Total	(e) This Period	(d)+(e) TOTAL	
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	\$168,271	\$302	\$168,572	\$29,090
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	(\$554,034)	\$41,341	\$0		\$0	\$41,341
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		\$29,112	\$29,112	\$29,112		\$29,112	\$0
5) AMI Project		\$1,363,901	\$1,363,901	\$1,363,901		\$1,363,901	(\$0)
6) AMI Project- Other Equipment		\$25,000	\$25,000	\$20,217		\$20,217	\$4,783
7) Schedule 2 - PRVs Project		\$134,592	\$134,592	\$0		\$0	\$134,592
n. TOTAL PROJECT COST	\$6,000,045	\$0	\$6,000,045	\$5,785,655	\$302	\$5,785,957	\$214,089
o. Funding Allocation							
1) Program Income= INTEREST			\$0	\$0		\$0	
2) Rural Development Loan	\$3,451,000		\$3,451,000	\$3,451,000		\$3,451,000	
3) Rural Development Grant	\$2,549,045		\$2,549,045	\$2,334,655	\$302	\$2,334,956	\$214,089
4) Other: DISTRICT CONTRIBUTION			\$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	\$5,785,655	\$302	\$5,785,956	\$214,089
q. Percentage of Completion				96.43%		96.43%	

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: Adam Denlinger, General Manager	Telephone: 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: Holly Halligan, USDA Area Specialist	Telephone: _____



Seal Rock Water District

General Manager's Report:
Board Meeting April 11, 2019

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

PHASE-4 SOURCE WATER PROJECT:

On April 3, 2019 after significant delay the District received the long-anticipated National Oceanic and Atmospheric Administration (NOAA) Biological Opinion Letter. The Biological Opinion (BiOp) provided by the United States Department of Commerce, National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service (NMFS), concludes that the proposed action in the development of the district's primary source water supply project on Beaver Creek is not likely to jeopardize the continued existence of Oregon Coast coho salmon or result in the destruction or adverse modification of designated critical habitat for this species.

District staff continue working with consultants and representatives from USDA-RD to complete the final underwriting steps to qualify the project and complete the certification required to issue the Letter of Conditions funding package provided by USDA-RD. Phase-4 improvements project continues to move forward with several critical path tasks currently in progress:

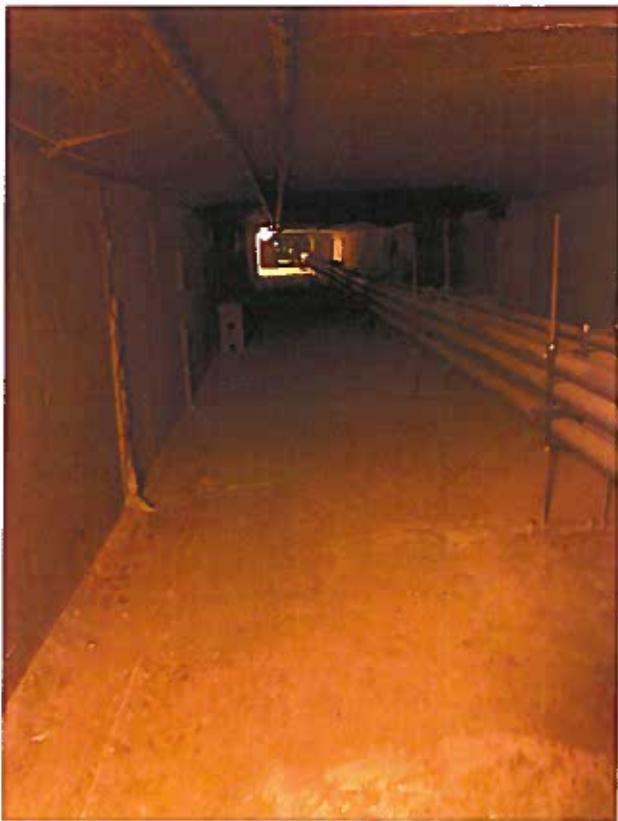
- Staff is working with the engineering team to provide additional modifications for the completion of the 100% final design.
- Final design and contract documents are being reviewed by the OT State, USDA-RD engineer.
- District staff and representatives with USDA-RD are reviewing final finance information to satisfy USDA underwriting.
- On March 26, 2019 the District received a letter provided by USDA-RD notifying the District that the source water project was eligible for financing.
- Staff is also working with representatives from USDA-RD, the Districts finance consultant, and Bond Counsel to discuss Phase-4 interim financing.
- On April 4th, 2019 the District received the USDA-RD Public notice Announcing the Availability of an Environmental Assessment which will be published locally beginning April 10, 2019.
- Final design is also in statutory review by the State of Oregon, Health Authority Department.

ALTERNATIVE WATER SUPPLY DEVELOPMENT WITH THE CITY OF WALDPOR:

District staff have been working with City of Waldport representatives and engineers to discuss alternatives to provide connection between the both systems to provide emergency source water. Comprehensive, publicly-vetted water planning is necessary to respond to the challenges of climate, infrastructure, conservation, and development in the Central Oregon Coast Region. The Mid-Coast Water Planning

Partnership (MCWPP) is working to understand and balance both instream and out-of-stream water needs for communities, environments, and economies. Rooted in Oregon’s Integrated Water Resources Strategy (IWRS), the Place-Based Planning approach provides a space for communities like ours to work collaboratively with agency partners to understand and articulate their water resources challenges and needs, as well as identify and implement potential solutions to those needs. These efforts bring water issues and solutions together ahead of a natural hazard and provides a value to the region. Alternative water supplies can only be recognized through understating the value of interconnection between neighboring suppliers.

The District received an invitation to attend a field tour with representatives from the City of Waldport and ODOT to explore the option of sleeving a pipe through the raceway below the driving deck of the Alsea River Bridge. With the permission of ODOT and guided by ODOT representatives a team of City, District, ODOT and engineers walked the raceway underneath the bridge from both sides and concluded that there is ample space to consider a pipeline through the bridge to connect both Systems.



Enclosed Access beneath the Alsea River Bridge:



Exposed Access beneath the Alsea River Bridge:

Besides the connection the District currently uses for the supply of source water, the District also has a connection with the City of Newport for the emergency supply of source water. The connection being considered with the City of Waldport is being developed considering the same possibilities. Consideration for alternative regional water supply opportunities is also a subject of discussion within the Mid-Coast Water Planning Partnership and is currently being explored by the municipal/district working group.

OTHER NOTABLE ACTIVITIES FOR THE MONTHS OF MARCH/APRIL INCLUDE:

- Attended Mid-Coast Integrated Water Resources Coordinating Committee meeting.
- Attended Joint SDAO/SDIS Meeting in Hood River.
- Participated in project team meeting to discuss Phase-4 permitting and 90% final design.
- Attended a meeting with consultants working on the Sampling and Analysis Plan (SAP) report for DEQ and OWRD.
- Attended meetings to discuss the implementation of the Mid-Cost Water Consortium.
- Met with representatives from USDA-RD to discuss Phase-4 funding options.
- District staff and Engineer worked to provide USDA-RD with requested information related to project cost, short-lived assets and ongoing operation and maintenance documentation.
- Reviewed documentation
- Attended annual meeting with the District IT provider to discuss system upgrades and vulnerabilities.
- Attended a field meeting with representatives from the City of Waldport and ODOT to assess the Alsea River Bridge conditions for the potential installation of water pipe infrastructure.
- Coordinated a Special SRWD Board Work Session with Consultants working on the District’s Primary Source Water Project.
- Attended the Eastern Oregon AWWA/PNCWA to provide a presentation on the successful implementation of the District AMI metering project.
- Provided support for the draft 2019/2020 annual budget, in preparation for the April 18, 2019 Budget Committee Meeting.
- Attended staff level planning meeting for the installation of new PRV’s in Bayshore and Sand Piper communities.
- Worked with representatives of the Makai Special Road District to develop language for a replacement and repair easement.
- Worked with District staff to complete the 2019/2020 budget message and budget books.
- District crews completed replacement of waterline in the Surf Land Community.
- Provided a Beaver Creek project update presentation to the Mid-Coast watershed Council Technical working group at the March regular meeting.
- Attended strategy meeting to discuss option related to the pending NMFS BiOp release date.
- Attended Phase-4 power supply coordinating meeting with representatives from Consumer Power, Inc. (CPI) to discuss power supply to the Beaver Creek intake site.
- Reviewed NMFS Beaver Creek Biological Opinion.
- Reviewed Bond Counsel documents to include; memorandum of closing, closing certificate, legal opinion and resolution for financing phase-4 improvements.
- Met with District financial consultant with SDAO to discuss RFP process to engage lenders for interim project financing.



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: April 11, 2019							
Ordinance		Resolution		Motion		Information	X
Date Prepared: March 25, 2019				Dept.: Finance			
SUBJECT: Makai Special Road District Easement Agreement				Contact Person for this Item: Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

RECOMMENDED BOARD ACTION:

Information item only:

Consider Replacement and Repair easement agreement with the Makai Special Road District.

FINANCIAL IMPACTS:

None

DISTRICT GOAL:

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

BACKGROUND:

Lincoln County Ordinance LCC6.380 included with this staff report affects all of the operations in special road districts where the water district accesses surfaced roads and road right-of-way. Paragraph 7 is the operative language which requires permission from road districts. Also included with this staff report is a copy of ORS 758 and 368 which provides the District with authority to construct and maintain water facilities in the public right-of-way except within cities. The District's legal counsel has recommend developing a permanent easement with all road districts in the SRWD boundary, which allows the District to maintain facilities without additional permission for repairs of existing utilities, and all future permitted utilities. The easements would not need to describe the location of current water lines, but just refer to them as the existing lines. For any future (new) cuts across roads, the District will need to get permission in advance, but not develop another easement. Paragraph 9(d) requires restoration of the road surface, and the easement would reference that obligation. Draft easement language is also provided with this staff report for consideration by the Board and the Makai Special Road District.

A. Denlinger

Submitted By: _____
Adam Denlinger, General Manager

**Makai Special Road District
990 NW LANAI LOOP
Seal Rock, OR 97376**

REPLACEMENT AND REPAIR EASEMENT

Makai Special Road District grants to Seal Rock Water District a perpetual easement to cut, trench or otherwise remove road surfaces within the road district for the purpose of replacing, installing or repairing water lines and associated fixtures and facilities. Seal Rock Water District shall also have authority to close a road for such purpose for so long as is reasonably necessary. This easement shall apply to all currently existing lines, fixtures and facilities, and all such improvements that are placed under roads with the permission of the road district in the future. The road surface shall be restored to a condition equal to or better than that existing prior to the work, and as required by Lincoln County Code.

Dated this _____ day of _____, 2019

Makai Special Road District

Mr. Tom Ryan, Board Chair

STATE OF OREGON, County of Lincoln) ss.

This instrument was acknowledged before me on _____, 2019

_____, as Chair of Makai Special Road District.

Notary Public of Oregon

**Makai Special Road District
990 NW LANAI LOOP
Seal Rock, Or. 97376**

BE IT HEREBY RESOLVED THAT:

The Makai Special Road District hereby grants the Seal Rock Water District the right to:

- a.) Place a new water line within the road right-of-way.
- b.) Place Shut-Off valves and other water control devices within the paved surface of the roadway at intersections and other areas that the Seal Rock Water District deems necessary for the safe management and control of water PROVIDED THAT the Seal Rock Water District restores the road surface to at least the same condition that the road surface was before such control devices were placed within the paved surface.
- c.) Makai Road District requires that all new construction under asphalt roadways be saw cut immediately prior to repaving.
- d.) Trench excavation shall be conducted in a safe manner with all necessary bracing and shoring provided for compliance with OSHA.
- e.) Native backfill will be used only when suitable with 12-inches of compacted aggregate base under asphalt roadways.
- f.) Installation of new utilities will include tracer wire at all non-metallic pipelines. Wire shall be 10-gage minimum solid copper wire with Blue 30-mil thick HDPE insulation rated for direct bury,
- g.) Warning tape shall be 6-inches wide, 4-mil thick, placed 15-18 inches below the surface. Tape will be APWA blue, reading "Caution Water Line Buried Below".
- h.) Place AC mix to a minimum thickness of 4-inches in two, 2-inch lifts and compacted as directed.
- i.) Tack coast edges of AC, seal surfaces over joint with tack and sand.

If there are any questions or concerns, please contact the Makai Special Road District.

Sincerely,

Mr. Tom Ryan, Board Chair

758.010 Authority to construct lines and facilities; requirements and conditions. (1) Except within cities, any person has a right and privilege to construct, maintain and operate its water, gas, electric or communication service lines, fixtures and other facilities along the public roads in this state, as defined in ORS 368.001 or across rivers or over any lands belonging to state government, as defined in ORS 174.111, free of charge, and over lands of private individuals, as provided in ORS 772.210. Such lines, fixtures and facilities shall not be constructed so as to obstruct any public road or navigable stream.

(2) A county governing body and the Department of Transportation have authority to designate the location upon roads under their respective jurisdiction, outside of cities, where lines, fixtures and facilities described in this section may be located, and subject to ORS 758.025 may order the location of any such line, fixture or facility to be changed when such governing body or department deems it expedient. Any line, fixture or facility erected or remaining in a different location upon such road than that designated in any order of the governing body or department is a public nuisance and may be abated accordingly.

(3) The state officer, agency, board or commission having jurisdiction over any land belonging to state government, as defined in ORS 174.111, with respect to which the right and privilege granted under subsection (1) of this section is exercised may impose reasonable requirements for the location, construction, operation and maintenance of the lines, fixtures and facilities on such land. The person exercising such right and privilege over any land belonging to state government, as defined in ORS 174.111, shall pay the current market value for the existing forest products that are damaged or destroyed in exercising such right and privilege. Such right and privilege of any person is conditioned upon compliance with the requirements imposed by this subsection. [Amended by 1955 c.123 §1; 1971 c.655 §100; 1981 c.153 §76; 2001 c.664 §§3,6; 2009 c.444 §4; 2015 c.55 §1]

368.001 Definitions. As used in this chapter:

(1) "County road" means a public road under the jurisdiction of a county that has been designated as a county road under ORS 368.016.

(2) "County road official" means the roadmaster, engineer, road supervisor, public works director or other administrative officer designated by the county governing body as being responsible for administration of the road activities of the county.

(3) "Local access road" means a public road that is not a county road, state highway or federal road.

(4) "Owner" means a vendee under a recorded land sale contract or, if there is no recorded land sale contract, the holder of the record title of land if the vendee or holder has a present interest equal to or greater than a life estate.

(5) "Public road" means a road over which the public has a right of use that is a matter of public record.

(6) "Road" means the entire right of way of any public or private way that provides ingress to or egress from property by means of vehicles or other means or that provides travel between places by means of vehicles. "Road" includes, but is not limited to:

(a) Ways described as streets, highways, throughways or alleys;

(b) Road related structures that are in the right of way such as tunnels, culverts or similar structures; and

(c) Structures that provide for continuity of the right of way such as bridges. [1981 c.153 §2]

6.380 Construction and Location Details for Local Access Roads Within a Special Road District

(1) No person shall perform any work to change, expand, or repair an existing use of a local access road right-of-way within a special road district for a pole line, buried cable, pipe line, sign, miscellaneous facility, or miscellaneous operation, unless the work complies with the requirements of this section.

(2) All work in connection with the facility shall be done in a neat and workmanlike manner. Work zone signage and traffic control shall conform to the rules of the Oregon Department of Transportation. Construction shall conform to the rules of the Oregon State Public Utility Commissioner, the Oregon State Board of Health, or other governmental agencies having regulatory authority over the facility. In the event the above agencies do not prescribe standards which provide the degree of protection substantially equal to the following industry codes, then the appropriate industry codes shall apply:

(a) United States of America Standards Institute, 10 East 40th Street, New York, N.Y. 10016:

(A) USAS B 31.1.0; Current Issue; Power Piping Systems;

(B) USAS B 31.3; Current Issue; Petroleum Refinery Piping;

(C) USAS B 31.4; Current Issue; Liquid Petroleum Transportation Piping Systems;

(D) USAS B 31.8; Current Issue; Gas Transmission and Distribution Piping Systems.

(b) American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y. 10020:
API RP 1102; Current Issue; Recommended Practice for Liquid Petroleum Pipelines Crossing
Railroads and Highways.

(c) American Water Works Association, 2 Park Avenue New York, N.Y. 10016:
AWWA Standards and Specifications; Current Issue.

(d) National Bureau of Standards, U.S. Department of Commerce, for sale by Superintendent of Documents, U.S. Government Printing Office, Washington D.C. 20401:

(A) National Electric Safety Code; Current Issue.

(B) Safety Rules for the Installation and Maintenance of Electric Supply and
Communication Lines; Current Issue.

(3) Corrugated metal pipe and concrete pipe used as a conduit or casing pipe or a gravity flow carrier pipe shall, as a minimum, conform to requirements of the current issue of "State of Oregon, Standard Specifications for Highway Construction."

(4) No trench shall be excavated with a top width in excess of 18 inches more than the outside diameter of the pipe, conduit, or cable to be installed unless permission is obtained from the district.

(5) The backfilling of all trenches and tunnels must be accomplished immediately after the facility has been placed therein and must be well tamped and fully compacted so as to allow the least possible amount of subsequent settlement.

(6) All debris, refuse, and waste of all kinds which may have accumulated upon the road right-of-way by reason of the operations shall be removed immediately upon completion of the operations, and the road right-of-way restored to the condition it was prior to construction.

(7) Unless permission is obtained from the district to open cut for pipe line or conduit which crosses under the surfaced portion of the road and shoulders, road or street connections, road approaches, or driveways, the person performing the work shall tunnel, jack, or drive under the surface in accordance with the following provisions:

(a) Trenching shall be no nearer the toe of the fill slope in fill sections or the point where the outer edges of the surfacing meets the sub-grade.

(b) Tunneling shall be by an approved method which supports the surrounding materials so as to prevent caving or settlement. Areas around the installed pipe or conduit shall be backfilled with moist sand, granular material, or cement grout filling all voids and packed in place with mechanical tampers or other approved devices. Lagging, bulk heading, and timbering shall be removed as the backfilling progresses.

(c) Jacking, driving, or boring shall be by approved means which will hold disturbances of surrounding material to a minimum. Sluicing and jetting is not permitted. Voids or displacement outside the outside perimeter of the pipe, conduit, or cable where greater than 0.1 foot, shall be filled with sand or cement grout packed in place.

(9) When permission is granted to open cut the surfaced portion of the road, the following provisions shall be followed:

(a) Trench edges in paved areas shall be sawn or cut to neat lines by methods satisfactory to the district to a depth sufficient to permit removal of pavement without damage to pavement to be left in place. Pavement within the cutting limits, together with all other excavated material, shall be removed and disposed of outside road right-of-way.

(b) Closure of the road being worked on, intersecting streets, road approaches, or other access points is not permitted without prior approval from the district and any other applicable road authority with jurisdiction over the intersecting street, approach, or access point that is the subject of the closure. County approval is not required for local access roads within the district that are also under county jurisdiction. Upon trenching across such facilities, steel running plates, planks, or other satisfactory methods shall be used to provide for traffic to enter or leave the road or adjacent property.

(c) No more than 300 feet of trench longitudinally along the road shall be open at one time and no trench shall be left in open condition overnight.

(d) Immediately after a facility has been placed in the trench, the trench shall be backfilled with compacted granular material, commonly designated as previous material, which cannot be ribboned out between the finger and thumb, and which is free from humus, organic matter, vegetable matter, frozen material, clods, sticks and debris, and contains no stones having a dimension greater than three inches. Said granular material shall be placed to an elevation which will allow placing the following foundation material and wearing surface:

(A) Where original surface was asphalt concrete or bituminous treatment or mix:

(i) Wearing surface: Asphalt concrete placed to a compacted thickness of four inches or the thickness of the removed pavement, whichever is greater;

(ii) Foundation material: Either 1-0 inch or 3/4-0 inch aggregate placed to a compacted thickness of four inches or the thickness of the removed stone base, whichever is greater.

(B) Where original surface was crushed rock or gravel, wearing surface and foundation material: Either 1-0 inch or 3/4-0 inch aggregate placed to a total compacted

thickness of four inches or the thickness of the removed stone base and wearing surface, whichever is greater.

(C) All materials in subparagraphs (A) and (B) of this paragraph, and their placement, shall conform to the requirements of the current Oregon State Highway Standard Specifications for Highway Construction.

(e) For a period of one year following the patching of the paved surface, the person responsible for the patching shall be responsible for the condition of pavement patches and, during that time, shall, upon request of the district, repair to the district's satisfaction any patches which become settled, cracked, broken, or otherwise faulty.

(8) Unless permission is obtained from the district, direct burial of cable placed by the ploughing method shall be limited to areas outside the surfaced portion of the road.

(9) Standard warning signs for buried power or communications cable and for pipelines carrying gas or flammable liquids shall be placed at each crossing under the road and at intervals along longitudinal installations as required by current PUC order, or as specified by the district:

- (a) Signs shall be offset as near the right-of-way line as practical; and
- (b) Signs for installations located within the roadbed may be placed behind existing guard rail.

(10) Pole line locations over the roadway shall have a minimum height of the lowest wire at 20 feet; locations parallel and not on the traveled portion, the minimum height of the lowest wire shall be 18 feet. Poles shall be located not less than 12 feet from the edge of pavement on paved-surfaced roads, or not less than eight feet from the shoulder on gravel-surfaced roads. Wherever possible, poles shall be located along the tangent section of roads and on the short curve radius side of curves. Poles to be located on the long radius side of curves will require additional approval by the district and may be subject to special conditions.

(11) Pedestals installed as part of a buried cable installation are to be located one foot from the right-of-way line unless permission is obtained from the district to locate elsewhere. In no case shall the pedestals be located within the road maintenance operating area, including mowing operations, or nearer the pavement edge than any official highway sign in the same general location.

(12) Notwithstanding any provision to the contrary in LCC Chapter 10, the provisions of this section may be enforced as provided in LCC Chapter 10 by the special road district in which the subject road right-of-way lies.

(13) As used in this section:

- (a) "Local access road" has the meaning provided in ORS 368.001.
- (b) "Special road district" means an ORS 371.305 to 371.385 special road district in Lincoln County.

[2000 o.402 §2]



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: April 11, 2019							
Ordinance		Resolution		Motion		Information	X
Date Prepared: March 25, 2019				Dept.: Finance			
SUBJECT: National Oceanic and Atmospheric Administration (NOAA) Biological Opinion Letter.				Contact Person for this Item: Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

RECOMMENDED BOARD ACTION:

Information item only:

Consider National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Services (NMFS) Biological Opinion (BiOp) Letter.

FINANCIAL IMPACTS:

Conditions provided in the BiOp will obligate the District to continued water quality monitoring similar to those conditions included in the District withdrawal permit through the Oregon Water Resources Department (OWRD) for the Beaver Creek supply. Cost for continued and ongoing water quality monitoring is currently being developed as part of the 2019/2020 budget process.

DISTRICT GOAL:

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

BACKGROUND:

On April 3rd, 2019 the District received the final Biological Opinion (BiOp) provided by the United States Department of Commerce, National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service (NMFS). The biological opinion (BiOp), provided by NMFS concludes that the proposed action in the development of the district's primary source water supply project on Beaver Creek is not likely to jeopardize the continued existence of Oregon Coast coho salmon or result in the destruction or adverse modification of designated critical habitat for this species. Conditions provided in the BiOp do not affect the overall project cost and the District can expect to see these conditions identified in the USDA-RD funding Letter of Conditions (LOC) in the near future.

Staff is including as part of this staff report a copy of the letter provided by NMFS, the full BiOp is available on the District's website for review.

A. Denlinger

Submitted By: _____
Adam Denlinger, General Manager



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
 West Coast Region
 1201 NE Lloyd Boulevard, Suite 1100
 Portland, OR 97232

Refer to NMFS Consultation No.:
 WCRO-2018-00045

April 3, 2019

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 Mr. Beyer:

Thank you for your letter of July 24, 2018, requesting initiation of consultation with NOAA's National Marine Fisheries Service (NMFS) pursuant to section 7 of the Endangered Species Act of 1973 (ESA) (16 U.S.C. 1531 et seq.) for the partial funding of the Beaver Creek Raw Water Supply Intake Project.

Thank you, also, for your request for consultation pursuant to the essential fish habitat (EFH) provisions in Section 305(b) of the Magnuson-Stevens Fishery Conservation and Management Act (MSA)(16 U.S.C. 1855(b)) for this action.

In this biological opinion (opinion), NMFS concludes that the proposed action is not likely to jeopardize the continued existence of Oregon Coast (OC) coho salmon (*Oncorhynchus kisutch*) or result in the destruction or adverse modification of designated critical habitat for this species.

As required by section 7 of the ESA, NMFS is providing an incidental take statement with the opinion. The incidental take statement describes reasonable and prudent measures NMFS considers necessary or appropriate to minimize the impact of incidental take associated with this action. The take statement sets forth nondiscretionary terms and conditions, including reporting requirements, that the U.S. Department of Agriculture-Rural Utility Service (USDA-RUS) and the applicant (Seal Rock Water District) must comply with to carry out the reasonable and prudent measures. Incidental take from actions that meet these terms and conditions will be exempt from the ESA's prohibition against the take of listed species.

WCRO-2018-00045



-2-

This document also includes the results of our analysis of the action's likely effects on EFH pursuant to section 305(b) of the MSA, and includes two conservation recommendations to avoid, minimize, or otherwise offset potential adverse effects on EFH. These conservation recommendations are a subset of the ESA take statement's terms and conditions. Section 305(b) (4) (B) of the MSA requires Federal agencies to provide a detailed written response to NMFS within 30 days after receiving these recommendations.

If the response is inconsistent with the EFH conservation recommendations, the USDA-RUS must explain why the recommendations will not be followed, including the scientific justification for any disagreements over the effects of the action and the recommendations. In response to increased oversight of overall EFH program effectiveness by the Office of Management and Budget, NMFS established a quarterly reporting requirement to determine how many conservation recommendations are provided as part of each EFH consultation and how many are adopted by the action agency. Therefore, we request that in your statutory reply to the EFH portion of this consultation, you clearly identify the number of conservation recommendations accepted.

If you have questions regarding this consultation, please contact Jennie Franks, fish biologist, in the Oregon Coast Branch of the Oregon Washington Coastal Office by phone 503.231-2344 or email Jennie.Franks@noaa.gov.

Sincerely,



Kim W. Kratz, Ph.D.
Assistant Regional Administrator
Oregon Washington Coastal Office

cc: Paul Berg, Jacobs
Adam Denlinger, SRWD
Sam Goldstein, USDA
Holly Halligan, USDA
Dana Larson, Jacobs
Brian Zabel, USACE

WCRO-2018-00045



Seal Rock Water District

DATE ACTION REQUESTED: April 11, 2019							
Ordinance		Resolution		Motion	X	Information	
Date Prepared: April 8, 2019				Dept.: Finance			
SUBJECT: Wholesale Water Rate Adjustment, Settlement Options				Contact Person for this Item: Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

RECOMMENDED BOARD ACTION:

1. Consider executing a proposed water rate settlement agreement with the City of Toledo for 2019.
2. Consider approving invoices for capital improvements which precede the October 30, 2017 notice of termination.

FINANCIAL IMPACTS:

Because the District anticipates adjustment in the wholesale purchase of water during the annual budget process, the proposed increase, while higher than originally approved by City Council in December 2018 can be absorbed through the budget process. If approved, the proposed increase will result in approximately \$50,000 increase for 2019, using last year's performance figures.

HACH invoices being considered by the Board total: \$4,647.37, District shared cost: \$2,323.68.

BACKGROUND:

Subject to conditions of the 2012 Water Purchase Agreement, annually the District receives an adjustment for wholesale water from the District's primary water provider, the City of Toledo. The rate increase under this provision was approved by the Toledo City Council on December 5, 2018, through a resolution effective on January 1, 2019. However, before the rate was adopted, the District alerted the city that there seemed to be a large separation in the percentage of water used by the district and the city, which is included in the methodology for calculating the rate annually.

On January 28, 2019, the District received an email from the city with several attachments related to a recalculated water rate increase for Seal Rock Water District. That email advised of an intent to submit to the City Council on February 6, 2019, a "Request for Council Action" to raise the water rate to be charged to the District effective March 1, 2019, by \$.65 from \$3.24 to 3.89 per 1000 gallons. In response to that email and the proposed action, the District convened a meeting with Toledo Representatives to discuss an offer to settle the legal issues raised by this proposed action.

The Water Purchase Agreement between the City of Toledo and Seal Rock Water District, effective December 21, 2012, sets forth the procedure for water rate adjustments. Section 6.1.3 requires the City to evaluate the annual costs of delivering water to the District based on audited statements of these costs. That section requires the City to provide a trial balance of the audit on or before October 1 of each year and to provide a copy of the completed audit on or before January 1 of each year. If the City failed to calculate the rate consistent with contract provisions on a timely basis, it is too late to attempt correction after January 1st, as Section 13.7 provides that time is of the essence with respect to all dates and time periods set forth in this agreement. That provision strictly prohibits the City from attempting to correct the rate after the stated time periods have expired.

As a result, District staff and Commissioners have met with Toledo Staff and City Councilors to discuss settlement options regarding the recalculated rate. Representatives of the City and the District met on February 5th and February 19th, 2019 to discuss possible settlement as it relates to the recalculated rate. On March 12th the working group met again to discuss the development of a successor agreement and a copy of the staff report and agenda for the March 14th SRWD Board meeting was provided to the City.

The District also attempted on several occasions to settle the rate for 2020, but the City has refused to even consider that alternative. The City's response to any negotiation is that the District must first concede to, and officially accept through Board action, an increase in the water rate for 2019. The City has given no reason for refusing to engage in any negotiation. Staff, through consultation with the District's legal counsel, maintains that the District should receive some consideration for agreeing to raise the contract rate for 2019, as the contract does not allow rate changes throughout the year.

If the District concedes that the City can raise the rate any time it feels their financial or administrative staff has made an error in a previous calculation, we could conceivably see multiple rate changes through 2019 and 2020. Asking the City to adjust the rate higher for 2020 through this negotiation would not negatively impact the City in any significant manner, and there is no good reason to not expect this consideration in return for the District paying an additional \$50k this year. The question for the Board is why should the District ratepayers expect to pay more than required under their contract without receiving anything in return?

The District has attempted to settle the 2020 rate with a proposed option for settlement which included a 7.44% increase for 2020, however, system improvements initiated by the Board in the last 3-years have reduced the overall demand for source water. Performance data indicates that demand is trending down, indicating that the percentage used in the methodology for calculating the rate annually will be lower than that which was proposed. As a result, this option was removed from consideration.

On March 14th the District Board had the opportunity to consider proposed settlement options as a full Board for the first time, as an information and discussion item and to take any public comment. Representatives from the City of Toledo attended the meeting but chose not to provide public comment, short of expressing dissatisfaction related to the city's expectation the Board would approve the settlement option on March 14th. The Board of Commissioners directed staff to analyze this item further and bring it back to the April 11th regular meeting for consideration and formal action.

At the direction of the Board, staff has conducted a thorough internal evaluation, along with a thorough review of the lengthy exchange of information between the City and the District over the past two years. Staff believes it's important to recognize that at no time during negotiations with the City over proposed settlements has the District opposed the City's demand to adopt a recalculated rate. District staff maintains that approval of any settlement is a function of the Board and negotiations for settlement should incorporate fair and balanced benefit to both parties. The inconvenience experienced by the District for the second time in two successive years, as a result of the City's failure to either adopt the rate on time or calculate the rate correctly is something staff would seek to avoid in the future. Appropriately considered, failure by the City to calculate the rate correctly places the District in the unfortunate position to engage in settlement discussions with the City by no fault of the District. Staff believes it's important to remind the Board and the City that these incidents provide an intense distraction from the District's mission and demand staff time and unnecessarily consume District resources to settle the legal issues instigated by the City.

In closing, city staff presented the attached settlement agreement to the City Council at the February 27, 2019 work session as a discussion and information item only. Council approved adoption of the settlement agreement on March 6, 2019, at their regular meeting, with an effective date of May 1, 2019. District staff is including with this staff report for the Board's consideration the Council approved settlement agreement.

If it pleases the Board staff is including the following possible options for consideration and action. Staff would like the Board to know that these options do not limit the Board from contemplating other actions not included in this staff report:

- A. Approve settlement option adopted by the City of Toledo on March 6, 2019 (Alternative-A).
- B. Reject proposed settlement options and direct the District's legal counsel to pursue negotiations with Toledo that provide fair and balanced benefit for both parties.
- C. Reject proposed settlement options and direct the city to seek other remedies, to include those subject to the terms and conditions of the 2012 water purchase agreement under Dispute Resolution.
- D. Consider approving HACH invoices, District share totaling: \$2,323.68.

A. Denlinger

Submitted By: _____
Adam Denlinger, General Manager

From: [Public Works Director](#)
To: [Adam Denlinger](#); [Jeff Hollen](#); [Joy King](#); [Rob Mills](#); [Saundra Mies-Grantham](#)
Cc: [City Manager](#); [david@osterlundlaw.com](#); [paul@osterlundlaw.com](#); [Rod Cross](#); [Joshua Smith](#)
Subject: RE: Future Water Supply Collaboration
Date: Thursday, April 04, 2019 8:10:19 AM
Attachments: [image001.png](#)
[image002.png](#)

April 4, 2019

Good Morning Adam,

The City would like to postpone future water use successor agreement discussions until the 2019 water rate settlement review/process has been completed. We look forward to seeing you at your April 11, 2019 regular Board meeting.

Thank you and let me know if you have any questions.

Michael J. Adams
Public Works Director



(541) 336-2247 x2070

pwdirector@cityoftoledo.org

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From: Adam Denlinger [mailto:ADenlinger@srwd.org]
Sent: Friday, March 22, 2019 11:28 AM
To: Public Works Director; [jeff Hollen](#); [Joy King](#); [Rob Mills](#); [Saundra Mies-Grantham](#)
Cc: [City Manager](#); [david@osterlundlaw.com](#); [paul@osterlundlaw.com](#); [Rod Cross](#); [Joshua Smith](#)
Subject: RE: Future Water Supply Collaboration
Importance: High

Hi Mike,

Thanks for your request...I will pull next weeks meeting from outlook and we will look forward to meeting with Toledo again April 9th.

Please let us know if you have any questions regarding the information we provided earlier in

the week.

Have a great weekend

Regards,

Adam

Adam Denlinger
 General Manager, Seal Rock Water District
 Co-Convener, Mid-Coast Water Planning Partnership
 Board Director, Special District Association of Oregon
 PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
 O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
www.srwd.org | www.midcoastwaterpartners.com | www.SDAO.com



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From: Public Works Director <pwdirector@cityoftoledo.org>
Sent: Thursday, March 21, 2019 8:20 AM
To: Adam Denlinger <ADenlinger@srwd.org>; jeff Hollen <jeffh@ouderkirkhollen.com>; Joy King <JKing@srwd.org>; Rob Mills <RMills@srwd.org>; Sandra Mies-Grantham <SMies-Grantham@srwd.org>
Cc: City Manager <manager@cityoftoledo.org>; david@osterlundlaw.com; paul@osterlundlaw.com; Rod Cross <Rod.Cross@cityoftoledo.org>; Joshua Smith <Joshua.Smith@cityoftoledo.org>
Subject: RE: Future Water Supply Collaboration

March 21, 2019

Good Morning All:

I have on my calendar that our next collaboration meeting is scheduled for Tuesday March 26. Unfortunately however, Mayor Cross has a conflicting appointment for that date/time so we are respectfully requesting we forgo this meeting date and plan to meet again on the tentatively scheduled date of April 9. The Toledo group is willing to travel to the District offices for the April 9 meeting if the space is available; if not we can arrange to meet here in Toledo.

Thanks so much for the understanding & consideration and we look forward to meeting with you all again April 9 at 11:00 a.m.

Respectfully,

Michael J. Adams
Public Works Director



(541) 336-2247 x2070

pwdirector@cityoftoledo.org

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From: Adam Denlinger [<mailto:ADenlinger@srwd.org>]

Sent: Monday, March 11, 2019 11:06 AM

To: Public Works Director; jeff Hollen; Joy King; Rob Mills; Sandra Mies-Grantham

Cc: City Manager; david@osterlundlaw.com; paul@osterlundlaw.com; Rod Cross; Joshua Smith

Subject: RE: Future Water Supply Collaboration

Importance: High

Greetings everyone,

Mike and myself have developed the attached agenda for tomorrow's meeting as more of an opportunity for the group to better understand alternatives associated with near-term water supply to the District, along with Regional water supply opportunities and potential benefits.

Also, please find attached two reference documents which include a study completed in 2011 by the EPA related to emergency water supply planning and the State of Oregon's Integrated Water Recourses Strategy (IWRS) update adopted by the Legislature in 2017.

I look forward to visiting with everyone tomorrow in Toledo, please feel free to contact me if you have any questions.

Regards

Adam

Adam Denlinger

General Manager, Seal Rock Water District

Co-Convener, Mid-Coast Water Planning Partnership

Board Director, Special District Association of Oregon

PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376

O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org

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From: [Adam Denlinger](mailto:Adam.Denlinger)
To: "david@osterlundlaw.com"
Cc: "[Paul B Osterlund](#)"; [Joy King](#); "[Jeff Hollen](#)"
Bcc: [Adam Denlinger](mailto:Adam.Denlinger)
Subject: RE: SRWD Records
Date: Wednesday, March 20, 2019 5:17:00 PM
Attachments: [SRWD Board Meeting Sign in sheets Sept-2018 to Feb - 2019.pdf](#)
[image003.png](#)
[image001.png](#)
Importance: High

Greetings David,

Please find attached the SRWD Board Meeting public/visitor sign-in sheets for sept-2018 through feb-2019.

As requested the District if providing requested information by PDF and email audio recordings of the Board meetings for every meeting beginning September 2018 and ending February 2019. Each meeting contains two audio files and are dated year/month/day. To avoid email crowding I will not include delivery/read receipt requests with the audio emails. Because these files are large please expect multiple emails, and for our records please verify at the end that you received 6-total emails with 12 total audio files.

If we are successful you should have the requested information, if not, please don't hesitate to contact us and we will work out other arrangements, or perhaps try to compress file size even further.

While the District is not billing the City for requested information, the District does not waive our rights to charge for future public records requests.

I am available if you have any questions.

Regards,

Adam

Adam Denlinger
General Manager, Seal Rock Water District
Co-Convener, Mid-Coast Water Planning Partnership
Board Director, Special District Association of Oregon
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
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From: david@osterlundlaw.com <david@osterlundlaw.com>

Sent: Monday, March 18, 2019 8:49 AM

To: Adam Denlinger <ADenlinger@srwd.org>

Cc: 'Paul B Osterlund' <Paul@osterlundlaw.com>; Joy King <JKing@srwd.org>; 'Jeff Hollen' <jeffh@ouderkirkhollen.com>

Subject: RE: SRWD Records

Thank you, kindly, for taking the time to produce this request.
Attached is the request form.

From: Adam Denlinger <ADenlinger@srwd.org>

Sent: Friday, March 15, 2019 1:17 PM

To: david@osterlundlaw.com

Cc: 'Paul B Osterlund' <Paul@osterlundlaw.com>; Joy King <JKing@srwd.org>; Jeff Hollen <jeffh@ouderkirkhollen.com>
Subject: RE: SRWD Records

David,

Subject to ORS 192.324, please provide the District with the a completed request for public records form and the District will do our best to work with you to provide the requested information in a timely manner.

Adam

Adam Denlinger
General Manager, Seal Rock Water District
Co-Convener, Mid-Coast Water Planning Partnership
Board Director, Special District Association of Oregon
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
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From: Jeff Hollen <jeffh@ouderkirkhollen.com>
Sent: Friday, March 15, 2019 11:27 AM
To: david@osterlundlaw.com
Cc: 'Paul B Osterlund' <Paul@osterlundlaw.com>; Adam Denlinger <ADenlinger@srwd.org>; Joy King <JKing@srwd.org>
Subject: RE: SRWD Records

David,

I have no objection to your communicating directly with the District on this record request. I expect they will send you a record request form to complete and send back. It can be done by email. The request below does not include the March meeting, which is what Paul requested by phone today. You can include that in the request form, so we have a clear understanding of what is requested. Please indicate on the request form if the information may be transmitted electronically by email, and to what address. If the content is too large, it may then be sent by disc or other media method. I do not need to be included in any email exchange on this topic unless necessary. Joy or other persons at the office will be the ones pulling the information from the records, and you can deal with them directly on how to respond. If a problem arises, please let me know.

Jeff Hollen
Attorney at Law
jeffh@ouderkirkhollen.com
P.O. Box 1167 Newport OR 97365
Phone: 541-574-1630 Fax: 541-574-1638

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From: david@osterlundlaw.com <david@osterlundlaw.com>
Sent: Friday, March 15, 2019 10:16 AM
To: 'Jeff Hollen' <jeffh@ouderkirkhollen.com>
Cc: 'Paul B Osterlund' <Paul@osterlundlaw.com>
Subject: SRWD Records

Greetings, Jeff Hollen:

I want to listen to the audio recordings of the Seal Rock Water District Board meetings and get a copy of the visitors sign-in sheets for meetings held in September, October November, and December 2018, January and February 2019. This content is not available on the SRWD website so it will have to come from a public records request.

I'm emailing you for this request in consideration of RPC 4.2. With your permission I will make the request myself or direct our client, City of Toledo, to make the request for public records.

Thanks, kindly.

David Robinson

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Message Score: 1

High (60): Pass

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High (60): Pass

From: david@osterlundlaw.com

My Spam Blocking Level: Medium

Medium (75): Pass

Low (90): Pass

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From: [Adam Denlinger](#)
To: "[Public Works Director](#)"; "[Jeff Hollen](#)"; [Joy King](#); [Rob Mills](#); [Saundra Mies-Grantham](#)
Cc: "[City Manager](#)"; "[david@osterlundlaw.com](#)"; "[paul@osterlundlaw.com](#)"; "[Rod Cross](#)"; "[Joshua Smith](#)"
Bcc: [Adam Denlinger](#)
Subject: March 14th SRWD Board Meeting
Date: Monday, March 18, 2019 7:54:00 AM
Attachments: [image001.png](#)
Importance: High

Good morning everyone,

After reflecting on the conversation at the March 14th SRWD Board meeting its obvious that Toledo representatives anticipating the Board would take formal action with regard to proposed settlement.

Generally the Board takes items like this for consideration/discussion before moving the item forward for formal decision. This would be consistent with the Toledo process as well. It was my understanding that by providing the City with a copy of the March 14th Board meeting agenda and staff report in advance, (Provided at the March 12th SRWD/City annual meeting in Toledo) indicating that this item was on the agenda as an *information and discussion item*, that the City understood this. It seems obvious to me now that this was not the case, and I would like to apologize for any confusion this created. In the future I will make certain to provide more clarity when providing information like this to the City. It is the Districts understanding from last week's Board meeting that approving settlement at the April 11th meeting does not affect the implementation date of May 1, 2019.

Unless the Board meets before the next regularly scheduled meeting this item will appear before the Board again for formal action on April 11th. As we have maintained in emails and conversation, this is a Board decision and only the Board is authorized to approve any proposed settlement. Staff cannot guarantee the outcome of the meeting with regard to approval of any settlement. Additionally, the District would like to thank the City for attending the March 14th meeting and take this opportunity to invite representatives from Toledo to attend on the 11th. Again, please accept my sincere apology for any unintended confusion.

Finally, the District is continuing to develop information requested by the Mayor at the March 12th meeting regarding the capital investment expenses to the Toledo system by the District since 2011/2012, and we hope to have that information available very soon.

As always, I can be available if you have any questions or would like to discuss further.

Regards

Adam

Adam Denlinger
General Manager, Seal Rock Water District
Co-Convener, Mid-Coast Water Planning Partnership
Board Director, Special District Association of Oregon
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
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From: [Public Works Director](#)
To: [Adam Denlinger](#); [Jeff Hollen](#); [Joy King](#); [Rob Mills](#); [Saundra Mies-Grantham](#)
Cc: [City Manager](#); [Rod Cross](#); [Joshua Smith](#); david@osterlundlaw.com; paul@osterlundlaw.com
Subject: Water Rate Settlement Agreement - City Approved Signature forthcoming
Date: Thursday, March 07, 2019 8:26:07 AM
Attachments: [image001.png](#)
[WaterRateSettle.2_0219-2019.pdf](#)

March 7, 2019

Good Morning Adam:

As you may have already heard, the City Council approved the attached Water Rate Settlement document at last evening's Council meeting. Once I have the signed/dated document I will forward to you in time for the District Board to consider at their March 14, 2019 board meeting. It is anticipated representatives plan to be in attendance of the March 14 meeting in case there are any questions for the City.

As always, should you have any questions please feel free to contact me at your earliest convenience.

Michael J. Adams

Public Works Director



City of Toledo, Oregon 97391
(541) 336-2247 x2070
pwdirector@cityoftoledo.org

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To: [Public Works Director](#); [Jeff Hollen](#); [Joy King](#); [Rob Mills](#); [Saundra Mies-Grantham](#)
Cc: [City Manager](#); david@osterlundlaw.com; paul@osterlundlaw.com; [Rod Cross](#); [Joshua Smith](#)
Subject: RE: Pending Wholesale Water Rate Settlement Agreement
Date: Thursday, February 28, 2019 9:37:15 AM
Attachments: [DraftSuccessorWaterPurchaseAgreement_022819_srwd.docx](#)
[image003.png](#)
[WaterRateSettle_2_0219-2019.pdf](#)
Importance: High

Greetings everyone,

For the benefit of the SRWD internal working group:

At last evenings City Council Work Session city staff presented the attached unedited settlement option as agreed to by the working group at the February 19, 2019 meeting. At the recommendation of staff the proposed settlement agreement will be presented to the City Council at the March 6, 2019 Regular City Council Meeting for decision to adopt the revised rate.

Before, and during the meeting members of the Council appreciated the District for working with the City to resolve this issue. The expectation is that the District Board of Commissioners will take this item into consideration at the March 14, 2019 Board meeting. I did invite anyone from the City to attend the Board meeting and I believe the Mayor, Mr. Rod Cross indicated that he would be available to attend the March meeting.

While the District did not present the attached February 25, 2019 settlement option at last night's meeting, It was recommended by the District that this language be considered in ongoing discussions to develop a successor agreement through a series of meetings with the joint working group beginning March 12, 2019, starting in Toledo. The Public Works Director and Myself plan to meet this Friday for lunch to initiate preliminary discussions related to the draft successor agreement and potentially provide a revised agreement for consideration and discussion at the March 12th joint meeting.

Please feel free to contact me if you have any questions...the District will be providing an agenda for our meeting on March 12th sometime next week.

Regards,

Adam

Adam Denlinger
 General Manager, Seal Rock Water District
 Co-Convener, Mid-Coast Water Planning Partnership
 Board Director, Special District Association of Oregon
 PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
 O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
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From: Adam Denlinger

Sent: Tuesday, February 26, 2019 5:27 PM

To: 'Public Works Director' <pwdirector@cityoftoledo.org>; jeff Hollen <jeffh@ouderkirkhollen.com>; Joy King <JKing@srwd.org>; Rob Mills <RMills@srwd.org>; Saundra Mies-Grantham <SMies-Grantham@srwd.org>

Cc: City Manager <manager@cityoftoledo.org>; david@osterlundlaw.com; paul@osterlundlaw.com; Rod Cross <Rod.Cross@cityoftoledo.org>; Joshua Smith <Joshua.Smith@cityoftoledo.org>

Subject: RE: Pending Wholesale Water Rate Settlement Agreement

Importance: High

Thanks Mike,

The District will be attending tomorrows work session in support of the conversation with regard to the settlement agreement for 2019. As we discussed, the District will be prepared to present to the Council the attached settlement recommendation provided by the District yesterday, for the Council's consideration.

I would like to clarify that It was generally understood at the February 19th, 2019 joint settlement meeting, that while the members of the settlement committee could agree to support the language, it is our governing bodies that ultimately make the policy decisions, and nothing could be certain with regard to approval.

I agree that we should continue to discuss options and opportunities for future mutual benefit. However, there is considerable agreement internally that the attached settlement agreement reflects the greatest value to both entities for the near term. In that it allows the City to adopt the rate for 2019 immediately, which the City desires, and provides an opportunity to set a near term rate which also benefits the City and the District, and allows for continued discussion to develop the "successor agreement" for long-term emergency and on-demand use.

Therefore, at the recommendation of our internal working group, it is my intention to have both copies of the settlement agreement available for discussion at the District's March 14, 2019 regular Board Meeting for consideration by the Board, and I would like to invite anyone from Toledo to attend. That being said, I think it is only fair to advise the Council that because this is a Board decision, I am not authorized to approve, nor can I guarantee any decision by the Board regarding approval of the settlement options provided.

Thanks again Mike for your time today it was a pleasure taking with you.

Regards,

Adam

Adam Denlinger
 General Manager, Seal Rock Water District
 Co-Convener, Mid-Coast Water Planning Partnership
 Board Director, Special District Association of Oregon
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From: Public Works Director <pwdirector@cityoftoledo.org>
Sent: Tuesday, February 26, 2019 4:47 PM
To: Adam Denlinger <ADeninger@srwd.org>; jeff Hollen <jeffh@ouderkirkhollen.com>; Joy King <JKing@srwd.org>; Rob Mills <RMills@srwd.org>; Sandra Mies-Grantham <SMies-Grantham@srwd.org>
Cc: City Manager <manager@cityoftoledo.org>; david@osterlundlaw.com; paul@osterlundlaw.com; Rod Cross <Rod.Cross@cityoftoledo.org>; Joshua Smith <Joshua.Smith@cityoftoledo.org>
Subject: RE: Pending Wholesale Water Rate Settlement Agreement

February 26, 2019

Adam –

Thank you for this information and the telephone discussion we had earlier regarding this revised settlement option. We have spoken internally and desire to have the City Council continue to move forward with formal acceptance of the settlement agreement the District provided at the February 19, 2019 negotiation meeting of which both parties tentatively agreed.

On February 19th we agreed to tentative settlement terms and it is in that spirit of mutual cooperation that we will advocate that the full Council vote to adopt the Settlement Agreement that we negotiated on the 19th (see attached).

Regarding the revised settlement agreement language you emailed yesterday evening, I believe it is a great place for you and I to continue our discussions regarding potential successor agreement language at our upcoming lunch this Friday.

Let me know if you have any questions and talk with you soon!

Michael J. Adams
Public Works Director



(541) 336-2247 x2070
pwdirector@cityoftoledo.org

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From: Adam Denlinger [<mailto:ADenlinger@srwd.org>]
Sent: Monday, February 25, 2019 5:30 PM
To: Public Works Director; jeff Hollen; Joy King; Rob Mills; Saundra Mies-Grantham
Cc: City Manager; david@osterlundlaw.com; paul@osterlundlaw.com; Rod Cross; Joshua Smith
Subject: RE: Pending Wholesale Water Rate Settlement Agreement
Importance: High

Greetings Mike,

I would also like to extend my sincere appreciation for the recent conversations as well; it was very beneficial, thanks for taking the time to unpack Toledo's position.

After further review and deliberation with the District's legal counsel, the District would like to introduce the attached revised settlement option for consideration by City Council at this Wednesday's Council Work Session.

Please consider that the attached settlement agreement reflects the greatest immediate value for both entities, in that, it allows the City to recognize the increased rate for 2019 immediately, while allowing for ongoing discussion to develop the "successor agreement" for long-term emergency and on-demand use. The proposed settlement also benefits the City in that it removes the City's obligation to calculate the rate for 2020/2021 and provide audit figures beyond 2019. In addition, the proposed settlement agreement removes the right of Purchaser to insist on strict compliance with the terms of the Water Purchase Agreement with respect to current and future water rate adjustments under the 2012 water purchase agreement. In brief, both the City and the District will settle on a known rate through 2021 without being subject to Section 6.1.3 for future years.

Please note, the attached includes a recommendation for an increase to the rate for the purchase of water by the District through 2021 and was developed by calculating the average percentage of the actual rate increase to the District (attached) beginning in 2012 to the present. This rate represents an average annual increase of 7.44%, which has been applied to the 2020 and 2021 proposed rate. Please note, that the increase in May 2012 reflects the negotiation of the

2012 Water Purchase Agreement, and was adjusted back down in January 2013, with some fluctuation again in 2014 before leveling out.

In closing, I am pleased with the level of collaboration we have achieved and am committed to partnering with the City to realize the best possible outcomes that meet our long-term objectives. I will be happy to provide a copy of this email string along with the attachments to the City Council this Wednesday for consideration.

Please feel free to contact me if you have any questions or would like to discuss before the Work Session.

Thanks in advance for your consideration.

Adam

Adam Denlinger
General Manager, Seal Rock Water District
Co-Convener, Mid-Coast Water Planning Partnership
Board Director, Special District Association of Oregon
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
www.srwd.org | www.midcoastwaterpartners.com | www.SDAO.com



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From: Public Works Director <pwdirector@cityoftoledo.org>

Sent: Friday, February 22, 2019 1:18 PM

To: Adam Denlinger <ADenlinger@srwd.org>; jeff Hollen <jeffh@ouderkirkhollen.com>; Joy King <JKing@srwd.org>; Rob Mills <RMills@srwd.org>; Sandra Mies-Grantham <SMies-Grantham@srwd.org>

Cc: City Manager <manager@cityoftoledo.org>; david@osterlundlaw.com; paul@osterlundlaw.com; Rod Cross <Rod.Cross@cityoftoledo.org>; Joshua Smith <Joshua.Smith@cityoftoledo.org>

Subject: Pending Wholesale Water Rate Settlement Agreement

February 22, 2019

Hello Adam –

Thanks again for the positive and helpful conversation this morning regarding the proposed edits of the settlement agreement that is referenced in the upcoming February 27, 2019 City Council work session packets.

As I believe I tried to articulate during our call, and upon discussing your concerns with the City Manager and legal team, I wanted to write and provide you the following clarification as we move this matter forward to the City Council. The redline additions that are in the document I provided you 2/21/19 were not intended to be counter-proposals to the agreed-to draft that we negotiated with SRWD on 2/19/19. The redlined language adds back the factual issues regarding the audit for the benefit of the whole City Council. It shows up underlined so that the Council can see what the actual agreement would read like if added to the tentative agreement that we all made. One way or another we have to give the whole council the factual issues on how we arrived at this situation so that they can decide whether or not to approve the Settlement Agreement.

To ensure clarity, I will make sure the Council members have paper-copies of the tentative agreement of 2/19/19 without the redlined language for each Council Member to review/compare at the work session.

I trust this information is helpful and I wish to convey to SRWD our apologies that the City was not meaning to renegotiate the settlement that we agreed to on 2/19/19.

As always, should you have any questions please feel free to contact me at your earliest convenience. Until then, have a great weekend and talk soon!

Michael J. Adams

Public Works Director



City of Toledo, Oregon 97391

(541) 336-2247 x2070

pwdirector@cityoftoledo.org

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February 21, 2019, 18:38

Thanks Mike for getting this to us in time for review before the Council agenda packets go out.

After reviewing the changes and consulting with legal counsel the District has some reservations with the proposed edits to the draft settlement document agreed to by the parties during last Tuesday's meeting.

Proposed revisions will likely trigger the inclusion of additional revisions provided by the District. The District believes it is in the best interest of the parties to execute the agreed upon settlement agreement without making factual concessions. The version agreed to at the meeting on Tuesday is CONSISTENT with last years settlement agreement process and provides only the fare facts related to this years conditions.

Mike, if your available to have a conversation tomorrow I would like to suggest we talk before including any revisions to the settlement agreement.

Thanks Mike, I can be available in the morning before 10:00 or sometime after lunch...Happy to meet with you in Toledo if it works out, just let me know how you would like to proceed.

Thanks again
Adam

Adam Denlinger
General Manager, Seal Rock Water District
Co-Convener, Mid-Coast Water Planning Partnership
Board Director, Special District Association of Oregon
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
www.srwd.org | www.midcoastwaterpartners.com | www.SDAO.com
On Feb 21, 2019, at 5:08 PM, Public Works Director <pwdirector@cityoftoledo.org> wrote:

February 21, 2019

Hello Adam –

I know this is late in the day but I wanted to share with you for your consideration a slight addition to the settlement agreement; please review the attached document that has the inclusion of the language as it relates to the annual audit.

This detail did not get noticed immediately at our meeting on Tuesday and we believe it is important this language be included in the agreement. It does not appear to alter the content of the agreement and simply recognizes we do not yet have the audit to provide and is thus the reason we have not met that requirement.

Wanted to get this to you as it will be discussed accordingly at the work session next Wednesday, thanks. Let me now if you have any questions and have a great day in Salem with the legislation and look forward to having lunch with you next Thursday. Until then, have a great weekend and talk soon!

Michael J. Adams
Public Works Director
<[image001.png](#)>
(541) 336-2247 x2070
pwdirector@cityoftoledo.org

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From: Adam Denlinger [<mailto:ADenlinger@srwd.org>]
Sent: Wednesday, February 20, 2019 1:38 PM
To: Public Works Director
Subject: RE: Meeting follow up

Deeply sensitive of you Mike...As a PW Employee I never turn down a free lunch. If your able to include the CM I believe I owe him a lunch.

When you have an opportunity just calendar this event through outlook before someone tries to fill the afternoon with other priorities.

Thanks in advance for your availability.

Regards,

Adam

Adam Denlinger
General Manager, Seal Rock Water District
Co-Convener, Mid-Coast Water Planning Partnership
Board Director, Special District Association of Oregon
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
www.srwd.org | www.midcoastwaterpartners.com | www.SDAO.com

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From: Public Works Director <pwdirector@cityoftoledo.org>
Sent: Wednesday, February 20, 2019 12:32 PM
To: Adam Denlinger <ADenlinger@srwd.org>
Subject: RE: Meeting follow up

Thanks Adam – I can make next Thursday work; how about early afternoon about 1:30 pm or so. If you are so inclined I will even be willing to buy your lunch, just let me know thanks.

Michael J. Adams
Public Works Director
<image001.png>
(541) 336-2247 x2070
pwdirector@cityoftoledo.org

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From: Adam Denlinger [mailto:ADenlinger@srwd.org]
Sent: Wednesday, February 20, 2019 10:01 AM
To: Public Works Director
Subject: RE: Meeting follow up

Hi Mike,

Following up to scheduling some time to meet before March 12th.

I can be available as early as tomorrow morning, but would need to be back at the District by 1:pm. Friday I'm in Salem most of the day for a legislative meeting in the morning, however, I may be able to phone in for this meeting if you would like to meet in the afternoon?

I can accommodate a meeting most anytime next week on Tuesday, Wednesday or Thursday, with Thursday being the best day at the moment.

The following week March 4th I will be in central Oregon for a conference.

I know your busy Mike hopefully there's some room to fit in meeting.

Regards

Adam

Adam Denlinger
General Manager, Seal Rock Water District
Co-Convener, Mid-Coast Water Planning Partnership
Board Director, Special District Association of Oregon
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
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From: Public Works Director <pwdirector@cityoftoledo.org>

Sent: Wednesday, February 20, 2019 7:53 AM
To: Adam Denlinger <ADenlinger@srwd.org>
Subject: RE: Capital Expenditures - Meeting Agenda No-2 - follow up

Thanks Adam

Michael J. Adams
Public Works Director
<image001.png>
(541) 336-2247 x2070
pwdirector@cityoftoledo.org

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From: Adam Denlinger [<mailto:ADenlinger@srwd.org>]
Sent: Tuesday, February 19, 2019 5:27 PM
To: Public Works Director
Cc: Joy King; jeff Hollen; City Manager; Paul B Osterlund; david@osterlundlaw.com; Rob Mills; Sandra Mies-Grantham; Rod Cross; Joshua Smith
Subject: RE: Capital Expenditures - Meeting Agenda No-2 - follow up

Greetings Everyone,

Thank you for your participation at today's very productive meeting.

Please find the attached revised settlement agreement for your review and use at next week's council work session. I am planning on attending this meeting, but will be unavailable to attend the March 6th regular council meeting.

Some action items from today's meeting include:

- Schedule ongoing standing meetings to begin March 12th @ 11:am, hosted at the COT.
- Per the conditions of the water purchase agreement the March 12th meeting will meet the obligation for the annual meeting.
- The consensus of the conversation is to pursue developing a successor agreement by June 2019.
- District will coordinate with the PWD to schedule time to discuss potential rate for successor agreement before March 12th.
- Explore opportunity to coordinate with OAWU regarding the circuit rider program to assist in developing rate.
- District will present invoices (HACH Invoices attached) to the Board of Commissioners on March 14th for reimbursement consideration.
- District will provide a draft copy of the district's revised Water Management and Conservation Plan (WMCP) once it becomes available later this month.

Please feel free to contact me if you have any questions, and feel free to add to the list if I have missed something.

Regards,

Adam

Adam Denlinger
General Manager, Seal Rock Water District
Co-Convener, Mid-Coast Water Planning Partnership

Board Director, Special District Association of Oregon
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183 | adenlinger@srwd.org
www.srwd.org | www.midcoastwaterpartners.com | www.SDAO.com

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From: Adam Denlinger
Sent: Friday, February 15, 2019 2:28 PM
To: Public Works Director <pwdirector@cityoftoledo.org>
Cc: Adam Denlinger <ADenlinger@srwd.org>; Joy King <JKing@srwd.org>; jeff Hollen <jeffh@ouderkirkhollen.com>; City Manager <manager@cityoftoledo.org>; Paul B Osterlund <Paul@osterlundlaw.com>; david@osterlundlaw.com; Rob Mills <RMills@srwd.org>; Saundra Mies-Grantham <SMies_Grantham@srwd.org>; Rod Cross <Rod.Cross@cityoftoledo.org>; Joshua Smith <Joshua.Smith@cityoftoledo.org>
Subject: Re: Capital Expenditures - Meeting Agenda No-2

Thanks Mike,

Very nice....this is a good starting point to begin the conversation.

Hope to provide revisions in time for our discussion next week.

Have a great weekend

Regards,

Adam

Adam Denlinger, General Manager, Seal Rock Water District
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: [541.563.3529](tel:541.563.3529) | F: 541.563.4246 | M: [541.270.0183](tel:541.270.0183)

adenlinger@srwd.org | www.srwd.org | www.midcoastwaterpartners.com

On Feb 15, 2019, at 1:54 PM, Public Works Director <pwdirector@cityoftoledo.org> wrote:

February 15, 2019

Hello Adam –

In preparation of our meeting Tuesday, we have taken the liberty of drafting a settlement agreement as it relates to the monthly charge moving forward for 2019.

Let me know if you have any questions and talk with you Tuesday!

Michael J. Adams

Public Works Director

<image001.png>

(541) 336-2247 x2070

pwdirector@cityoftoledo.org

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From: Adam Denlinger [<mailto:ADenlinger@srwd.org>]

Sent: Wednesday, February 13, 2019 8:11 AM

To: Public Works Director; Joy King; jeff Hollen

Cc: City Manager; 'Paul B Osterlund'; david@osterlundlaw.com; Rob Mills; Sandra Mies-Grantham; Rod Cross; Joshua Smith

Subject: RE: Capital Expenditures - Meeting Agenda No-2

Thanks Mike,

Just to follow up, the district is not questioning the capital expenditures as it relates to the revised rate...we understand that the rate excludes the \$31,702 minor capital...I apologize if my email created any confusion.

What I am suggesting for the city's consideration is that those minor capital expenditures that precede the termination notice (HACH Invoices) may be eligible invoices, and something we should discuss further next Tuesday.

For the benefit of this discussion I agree it would be good to open up the time for this meeting which we can do, and if there's a consensus from the group on Tuesday to extend our time I will make sure the room is available.

Thanks again Mike, give me a call if you would like to discuss further before the meeting.

Regards,

Adam

Adam Denlinger, General Manager, Seal Rock Water District

PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376

O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183

adenlinger@srwd.org | www.srwd.org | www.midcoastwaterpartners.com

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From: Public Works Director <pwdirector@cityoftoledo.org>

Sent: Tuesday, February 12, 2019 2:10 PM

To: Adam Denlinger <ADenlinger@srwd.org>; Joy King <JKing@srwd.org>; jeff Hollen <jeffh@ouderkirkhollen.com>

Cc: City Manager <manager@cityoftoledo.org>; 'Paul B Osterlund' <Paul@osterlundlaw.com>; david@osterlundlaw.com; Rob Mills <RMills@srwd.org>; Sandra Mies-Grantham <SMies-Grantham@srwd.org>; Rod Cross <Rod.Cross@cityoftoledo.org>; Joshua Smith <joshua.Smith@cityoftoledo.org>

Subject: RE: Capital Expenditures - Meeting Agenda No-2

February 12, 2019

Thanks Adam – from my perspective, maintaining the ability to extend the time if the group is finding it productive would be beneficial, however I will leave that for others to decide.

Regarding the invoices: no, the proposed rate of \$3.89/1,000 gallons DOES NOT include the \$31,702.00 (of which the HACH Invoices are part of) in the calculation and was removed so it could be considered accordingly.

As I mentioned in my earlier email correspondence of January 28, 2019, had this \$31,702 been included in the rate calculation, the proposed rate would be \$4.04/1,000 gallons.

Hope this helps; see you on Tuesday!

Michael J. Adams

Public Works Director

<[image001.png](#)>

(541) 336-2247 x2070

pwdirector@cityoftoledo.org

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From: Adam Denlinger [<mailto:ADenlinger@srwd.org>]
Sent: Tuesday, February 12, 2019 1:31 PM
To: Public Works Director; Joy King; jeff Hollen
Cc: City Manager; 'Paul B Osterlund'; david@osterlundlaw.com; Rob Mills; Sandra Mies-Grantham; Rod Cross; Joshua Smith
Subject: RE: Capital Expenditures - Meeting Agenda No-2
Importance: High

Greetings Mike,

Sorry for taking so long to reply to your email, I have been out of the area.

We reviewed the invoices provided in your email dated February 5, 2019, which would seem to fit within the language of the Water Purchase Agreement and qualify as minor capital improvements.

However, after further reflection and legal review of Section 6.2.2.3 the Purchaser is no longer obligated for major/minor capital improvement cost pursuant to Section-3.2:

- 6.2.2.3: If the Purchaser pays an amount less than its share of the minor capital improvement and the City pays the balance, then the wholesale rate will be increased in an amount sufficient to pay the equivalent monthly payment required to pay that amount amortized over a term agreed between the Parties at the interest rate reported in the Oregon Bond Index published by the Oregon Treasurer's Office Debt Management Division for 10-year bonds (rated Aa2/AA/AA) if the term of the loan is 10 years or less, or for 20-year bonds if the term of the loan is 11 years or more. Any balance of Purchaser's share shall be due and payable upon termination of this Agreement, unless Purchaser has given notice of termination of this Agreement pursuant to Section 3.2 prior to the City constructing the improvements.

Given the above referenced section some invoices (HACH invoice #10649915, #10651334, and #10659015) may be considered eligible because these invoices precede October 30, 2017. For these invoices to be considered the District would want assurances that these invoices were not considered in developing the rate for 2018.

For the benefit of the group we are proving the attached agenda No-2 to help guide our conversation next Tuesday. I generally believe that a 1-hour meeting limits our productivity and would be open to hosting a longer meeting but want to be sensitive to the available time Toledo has for these discussions. As such, the District is happy to consider extending the time for this meeting at Toledo's request.

The District would like to thank everyone for your time and attention to this matter, if you have any questions please don't hesitate to contact me.

We look forward to meeting with everyone next Tuesday, February 19th @ 9:am.

Regards,

Adam

Adam Denlinger, General Manager, Seal Rock Water District
PO Box 190 | 1037 NW Grebe Street | Seal Rock OR. 97376
O: 541.563.3529 | F: 541.563.4246 | M: 541.270.0183
adenlinger@srwd.org | www.srwd.org | www.midcoastwaterpartners.com

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From: Public Works Director <pwdirector@cityoftoledo.org>

Sent: Tuesday, February 05, 2019 2:59 PM

To: Adam Denlinger <ADenlinger@srwd.org>; Joy King <JKing@srwd.org>; jeff Hollen <jeffh@ouderkirkhollen.com>

Cc: City Manager <manager@cityoftoledo.org>; 'Paul B Osterlund' <Paul@osterlundlaw.com>; david@osterlundlaw.com

Subject: Capital Expenditures

February 5, 2019

Hello Again Adam:

Per our earlier correspondence, attached please find the invoices totaling \$31,702 of what I believe could be perceived as "minor capital" expenditures within the framework of the agreement. Upon your review if you have any questions please contact me at your convenience.

Michael J. Adams

Public Works Director

<image001.png>

City of Toledo, Oregon 97391

(541) 336-2247 x2070

pwdirector@cityoftoledo.org

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WATER RATE SETTLEMENT AGREEMENT

The settlement agreement is entered into by and between SEAL ROCK WATER DISTRICT ("Purchaser"), and the CITY OF TOLEDO ("City"), collectively (the "Parties"). The Parties are identified as "Purchaser" and "City" in a WATER PURCHASE AGREEMENT, dated December 19, 2012.

This WATER RATE SETTLEMENT AGREEMENT settles the wholesale water rate to be paid by Purchaser for calendar year 2019.

During the time period from January 1, 2019 to March 31, 2019, the City set the water rate for purchaser at \$3.24. The City has since reevaluated the calculation of that rate and asserts that the rate as calculated under the contract should be \$3.89 per 1000 gallons. The City has not provided an audit which provides the Purchaser verified information on which to rely for this recalculation of the rate. The parties desire to settle the rate for the remaining portion of 2019 rather than expend funds in assessing the calculation factors and potentially utilizing the dispute resolution procedures of the contract.

In settlement, the parties agree that the rate for the period from January 1, 2019 through April 30, 2019 shall be \$3.24 per 1000 gallons. The rate for the period from May 1, 2019 to December 31, 2019 shall be \$3.89 per 1000 gallons. The City agrees that this settlement is without waiver of the right of Purchaser to insist on strict compliance with the terms of the Water Purchase Agreement with respect to future water rate adjustments.

This agreement is effective only upon being duly executed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this WATER RATE SETTLEMENT AGREEMENT to be effective on May 1, 2019.

CITY OF TOLEDO

SEAL ROCK WATER DISTRICT

By _____
Mayor, Rod Cross

By _____
John Garcia, Board President

Date

Date

Attest:

Attest:

City Recorder

Saundra Mies-Grantham, Board Secretary

Approved as to form:

City Legal Counsel

Date

District Legal Counsel

Date



Be Right™

INVOICE NUMBER 10659015

DATE: 10/03/2017

Page: 1

57

TOTAL: \$1,780.30

DETACH TOP PORTION AND RETURN WITH PAYMENT TO:

Hach Company
2207 Collection Center Drive
Chicago, IL 60693
Phone: (800) 227-4224

Have you ordered online?
Order at WWW.HACH.COM

10659011 001121052 00000178030 100317

Sort Seg 544

Tray 3

DETACH HERE

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CITY OF TOLEDO
CITY HALL
PO BOX 220
TOLEDO, OR 97391-0220
United States

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CITY OF TOLEDO
206 NORTH MAIN
TOLEDO, OR 97391
United States

INVOICE NO	10659015	DATE:	10/03/2017
PURCHASE ORDER NUMBER	1937		
TERMS	Net 30 Days From Invoice Date		
FREIGHT			
CARRIER	UPS-UPS™UPS -Ground		
ACCOUNT REF. NO.	112105 314804267-3	Remit to:	

Hach Company
2207 Collections Center Dr
Chicago, IL 60693
Phone: (800) 227-4224

These commodities are not packaged, marked, or labeled for identification in the United States. Reproduction of these commodities may require special labeling, packaging, marking or labeling.

LN#	PRODUCT DESCRIPTION	ITEM NO.	QUANTITY	UNIT PRICE	EXT. PRICE
1	db TU5300sc TURB,EPA	LXV445.99.10112	1	1,780.30	1,780.30

ORDER CONTACT:
RIC SAAVEDRA
5413362610
Notes:

SUBTOTAL	1,780.30
TAX	0.00
INVOICE TOTAL	1,780.30

012-180
600400

10/13/17

OK
NYS
10/17/17

PURCHASE AND ACCEPTANCE OF PRODUCT(S) SUBJECT TO HACH COMPANY'S TERMS AND CONDITIONS OF SALE,
PUBLISHED ON HACH COMPANY'S WEBSITE AT WWW.HACH.COM/TERMS

For order discrepancies or product exchanges please call 800-227-4224 or 970-669-3050 to obtain Return Authorization.

FEDERAL TAX ID # 42-0704420



OTHER BRANDS FROM HACH



Be Right™

INVOICE NUMBER 10651334

DATE: 09/27/2017

Page: 1

58

DETACH TOP PORTION AND RETURN WITH PAYMENT TO:

TOTAL: \$967.10

Hach Company
2207 Collection Center Drive
Chicago, IL 60693
Phone: (800) 227-4224

Have you ordered online?
Order at WWW.HACH.COM

10651334 001121052 00000096710 092717

Sort Seq 653

Tray: 3

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CITY OF TOLEDO
CITY HALL
PO BOX 220
TOLEDO, OR 97391-0220
United States

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CITY OF TOLEDO
206 NORTH MAIN
TOLEDO, OR 97391
United States

INVOICE NO	10651334	DATE:	09/27/2017
PURCHASE ORDER NUMBER	1937		
TERMS	Net 30 Days From Invoice Date		
FREIGHT			
CARRIER	UPS-UPS™ UPS -Ground		
ACCOUNT REF. NO.	112105 314804267-2	Remit to:	

Remit to:
Hach Company
2207 Collections Center Dr
Chicago, IL 60693
Phone: (800) 227-4224

These commodities are sold, packaged, marked and labeled for operators in the United States. Exportation of these commodities may require special licensing, packaging, marking or labeling.

LN#	PRODUCT DESCRIPTION	ITEM NO.	QUANTITY	UNIT PRICE	EXT. PRICE
1	Digital pH Sensor, PEEK, Convertible *TRACKING NUMBERS: 128A89V00330257887	DPD1P1	1	967.10	967.10

ORDER CONTACT:
RIC SAAVEDRA
5413362610
Notes:

SUBTOTAL	967.10
TAX	0.00
INVOICE TOTAL	967.10

012-120
602350
600400
10/6/17
10/16/17

PURCHASE AND ACCEPTANCE OF PRODUCT(S) SUBJECT TO HACH COMPANY'S TERMS AND CONDITIONS OF SALE, PUBLISHED ON HACH COMPANY'S WEBSITE AT WWW.HACH.COM/TERMS

For discrepancies or product exchanges please call 800-227-4224 or 970-669-3050 to obtain Return Authorization.

FEDERAL TAX ID # 42-0704420



OTHER BRANDES FROM HACH



Be Right™

INVOICE NUMBER 10649915

DATE: 09/26/2017

Page: 1

DETACH TOP PORTION AND RETURN WITH PAYMENT TO:

TOTAL: \$1,900.07

Hach Company
2207 Collection Center Drive
Chicago, IL 60693
Phone: (800) 227-4224

Have you ordered online?
Order at WWW.HACH.COM

10649915 001121052 00000190007 092617

Sort Seg: 755

Tray: 3

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CITY OF TOLEDO
CITY HALL
PO BOX 220
TOLEDO, OR 97391-0220
United States

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CITY OF TOLEDO
206 NORTH MAIN
TOLEDO, OR 97391
United States

INVOICE NO	10649915	DATE:	09/26/2017
PURCHASE ORDER NUMBER	1937		
TERMS	Net 30 Days From Invoice Date		
FREIGHT			
CARRIER	UPS-UPS™UPS -Ground		
ACCOUNT	112105		
REF. NO.	314804267-1	Remit to:	

Hach Company
2207 Collections Center Dr
Chicago, IL 60693
Phone: (800) 227-4224

These commodities are sold packaged, marked and labeled for distribution in the United States. Exportation of these commodities may require special licensing, packaging, marking or labeling.

LN#	PRODUCT DESCRIPTION	ITEM NO.	QUANTITY	UNIT PRICE	EXT. PRICE
2	sc200 CONTROLLER, AC-DC, 2 DIG, HACH	LXV404 99.00552	1	1,811.65	1,811.65

*TRACKING NUMBERS: 1Z8A89V00330249181

ORDER CONTACT:

RIC SAAVEDRA
5413362610

Notes:

SUBTOTAL	1,811.65
FREIGHT CHARGES	88.42
TAX	0.00
INVOICE TOTAL	1,900.07

012-120
660400
10/5/17
all
HUSA
10/26/17

PURCHASE AND ACCEPTANCE OF PRODUCT(S) SUBJECT TO HACH COMPANY'S TERMS AND CONDITIONS OF SALE, PUBLISHED ON HACH COMPANY'S WEBSITE AT WWW.HACH.COM/TERMS

For order discrepancies or product exchanges please call 800-227-4224 or 970-669-3050 to obtain Return Authorization.

FEDERAL TAX ID # 42-0704420



OTHER BRANDS FROM HACH