

1

SEAL ROCK WATER DISTRICT
Regular Board Meeting
Thursday, June 11, 2020 @ 4:00 p.m.
Public Meeting by Zoom Video Conference:

Due to the Governor's Executive Order related to public gatherings, SRWD will hold this meeting through Zoom video conferencing. The public is invited to attend the meeting electronically. Please E-mail tkarsen@srwd.org to receive the meeting login information.

SRWD encourages the public to submit written comments on items included in the agenda by email to tkarsen@srwd.org by 2:00 p.m. on the day of the meeting to be included in the record. Comments received will be shared with the SRWD Board of Commissioners and included in the permanent record.

- **Call Regular Meeting to Order:**

- **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 (3) minutes.

- **Consent Calendar:**

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

- | | |
|---------------------------------------|-----------------------|
| ● Invoice List | May 2020 to June 2020 |
| ● Board Meeting Minutes | May 14, 2020 |
| ● SRWD Budget Committee Meeting | May 21, 2020 |
| ● Financial Report / Approve Invoices | May 2020 to June 2020 |
| ● USDA PMR 50 | June 2020 |
| ● General Manager's Monthly Report | May 2020 to June 2020 |

- **Discussion and Information Items:**

- Consider Primary Source Water Project Update.
Presented by: Adam Denlinger, General Manager
Jeff Hollen, General Counsel

- **Public Hearing:**

Open the Public Hearing:

- Subject to ORS Chapters 294.453 and 294.456, conduct a public hearing to receive public testimony regarding the SRWD FY 2020-2021 Budget Approved by Budget Committee.

Close the Public Hearing.

- **Decision Items:**

- Consider a motion to adopt the SRWD FY 2020-2021 Budget
Presented by: Adam Denlinger, General Manager
Joy King, Office Manager
- Consider approving consultant services agreement for facilitation and plan writing for the MC-WPP
Presented by: Adam Denlinger, General Manager

- **Reports, Comments and Correspondence:**

- USDA-RD Letter, Obligation of Funds for the Beaver Creek Source Water Project

- **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 regards to current litigation or litigation likely to be filed. Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report on any of the deliberations. No final decisions shall be made in Executive Session.
- **Adjournment: Next Meeting: July 9, 2020 @ 4:00 p.m.** Regular Board Meeting or establish date.

SEAL ROCK WATER DISTRICT
Regular Board Meeting
Thursday, June 11, 2020 @ 4:00 pm
Public Meeting by Zoom Video Conference Meeting:

Join Zoom Meeting:

<https://us02web.zoom.us/j/82557438261?pwd=enhaRmwzdUxkTTFpQ0h2UFlnRWIRQT09>

Meeting ID: 825 5743 8261

Password: 533304

Or join by phone:

Dial: 669-900-6833

Meeting ID: 825 5743 8261

Password: 533304

Report Criteria:

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

ORIGINAL

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount
03-5717				
LINCOLN COUNTY DEPT OF PL	052020	Floodplain Development Permit for Beaver Creek Water Supply Project	05/20/2020	200.00
Total 03-5717:				200.00
Grand Totals:				200.00

Dated: MAY 20, 2020

General Manager: A. [Signature]

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
01-1310				
MIKE TORBETT	052120	Refund Overpayment Final Bill	05/21/2020	69.88
Total 01-1310:				69.88
01-5271				
CHARTER COMMUNICATIONS	007859705192	Internet (Office)	05/19/2020	114.98
Total 01-5271:				114.98
01-5290				
STAPLES BUSINESS ADVANTA	8058433800	TRU RED Brother (TN-430) Black Remanufactured Standard Yield Toner Cartridge	05/16/2020	26.39
STAPLES BUSINESS ADVANTA	8058433800	Pilot G2 Gel-Ink Pen Refill, Fine Tip, Red 2 pack	05/16/2020	8.16
STAPLES BUSINESS ADVANTA	8058433800	TRU RED 8 5" x 11" Copy Paper, 20lbs, 92 Brightness, 5000/Carton	05/16/2020	41.53
STAPLES BUSINESS ADVANTA	8058433800	Tombow MONO Original Correction Tape, White, 2/Pack	05/16/2020	14.56
STAPLES BUSINESS ADVANTA	8058433800	Staples 0.75" Binder Clips, Small, Black, 40/Pack	05/16/2020	1.74
STAPLES BUSINESS ADVANTA	8058433800	Staples 0.6" Binder Clips, Mini, Black, 60/Pack	05/16/2020	1.82
STAPLES BUSINESS ADVANTA	8058433800	Staples 1.25" Binder Clips, Medium, Black, 24/Pack	05/16/2020	5.28
STAPLES BUSINESS ADVANTA	8058433800	Staples Adding Machine, Register, and Calculator Rolls, Bookkeeper	05/16/2020	10.29
Total 01-5290:				109.77
01-5291				
US POSTAL SERVICE - WALDP	052120	Bulk Mailing	05/21/2020	870.68
Total 01-5291:				870.68
01-5410				
AT&T MOBILITY	05232020	Iphones for field	05/15/2020	437.76
Total 01-5410:				437.76
01-5610				
CENTRAL LINCOLN P.U.D.	052220	Utility Services	05/22/2020	1,950.91
Total 01-5610:				1,950.91
Grand Totals:				3,553.98

Dated: JUNE 2, 2020

General Manager: A. N. [Signature]

Dated: _____

Treasurer: _____

[Signature]

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
04-6620				
USDA RURAL DEVELOPMENT	053120	2012 Revenue Bond Principal	05/31/2020	39,835.00
Total 04-6620:				39,835.00
04-6720				
USDA RURAL DEVELOPMENT	053120	2012 Revenue Bond Interest	05/31/2020	34,497.00
Total 04-6720:				34,497.00
Grand Totals:				74,332.00

Dated: 6-4-2020

General Manager: A. J. [Signature]

Dated: _____

Treasurer: _____

**SEAL ROCK WATER DISTRICT
MINUTES OF THE
Regular Board Meeting by Zoom Conference Call Only
May 14, 2020**

Introduction to Remote Meeting:

Adam Denlinger, General Manager, explained that this board meeting is being conducted remotely in order to mitigate the transmission of the novel coronavirus and reduced risk of COVID-19 illness in accordance with Governor Brown's Executive Order 20-12 to suspend all public gatherings. Those present in the board room were sitting at least 6 feet apart and wearing face masks to promote the social distancing guidelines currently in place at the federal and state level. He further explained that the Board President will call each name to confirm those who are present. After each person hears their name, they need to reply. For each decision item in the agenda that needs to be approved, after discussion and deliberation, the Board President will call each name of the commissioner for their vote. After the commissioners hear their name, he or she will give the vote to the affirmative by saying YES or negative by saying NO.

Call Regular Meeting to Order:

President Rob Mills called the regular board meeting to order at 4:04 p.m., Thursday, May 14, 2020.

Present:

President Rob Mills confirmed that all commissioners present can hear each other by doing a roll call. Present by Zoom Conference Call were Commissioner Karen Otta, member; Commissioner Glen Morris, member; Commissioner Deanna Gravelle, Treasurer (attended by audio conference call); Staff: Adam Denlinger, General Manager; Joy King, Office Manager; Atty. Jeff Hollen, District legal counsel. John Garcia as a member of the public attended by Zoom Conference Call.

Excused Absences: Commissioner Sandra Mies-Grantham

Announcements/Public Comments:

President Rob Mills asked if there are any announcements. Commissioner Glen Morris replied NO; Commissioner Deanna Gravelle replied NO; Commissioner Karen Otta replied NO. Office Manager Joy King replied YES. She announced that a new bank signature card to open the Trustee Account required by USDA will be signed electronically through DocuSign. The bank will email the signature card to each of the authorized signers; General Manager Adam Denlinger replied YES. He announced that there will be an executive session toward the end of the regular session. It was discussed that there will be a break before going into the executive session and members of the public will be asked to go off the Zoom conference call.

Consent Calendar:

Items on the consent calendar are Invoice List for April/May 2020; April 9, minutes of the regular board meeting; April/May 2020 Financial Report; USDA PMR No. 50, and General Manager's Report. President Rob Mills asked if each commissioner has reviewed the items on the consent calendar. Commissioner Glen Morris answered YES, Commissioner Karen Otta answered YES, Commissioner Deanna Gravelle answered YES. Commissioner Karen Otta motioned to approve the consent calendar. Commissioner Glen Morris seconded the motion. There was a question on page 2 line 72 in the minutes regarding the accuracy of the construction budget shortfall of \$1,801,508. The GM confirmed the amount is accurate. President Rob Mills asked the commissioners for their votes: Commissioner Glen Morris voted YES; Commissioner Karen Otta voted YES; Commissioner Deanna Gravelle voted YES; President Rob Mills voted YES. Motion carried 4 – 0.

Discussion and Information Items:

Source Water Project Update:

The District hosted a pre-construction meeting with about 25 in attendance using the Zoom conference format. R&G Excavation, the contractor has provided the District with a schedule for beginning the work. They are staging right now at the old mill site located off Hwy 101 between the entrance to the Makai Subdivision and the turn off to South Beaver Creek Road. The contractor has two groups of crews, one group will work with the installation of the intake pipeline and the other group will work on building the water treatment plant. The District is responsible to provide specialized inspection service by an inspector from Salem with an estimated cost of \$50K. The specialized inspection includes structural steel testing, rebar strength testing, and comprehensive material strength testing.

The District has received approval of its USDA sub-grant application and received a Letter of Condition from USDA. The sub-grant amount is \$1.5 million with the District required contribution of \$302,000. The total amount covers the project budget shortfall. There was a question of why the budget shortfall is so high. The GM explained that the construction bid came in higher than the engineer's estimate, USDA requires to maintain a 5% of the project cost in contingency, and Lincoln County PWD asked for materials which cost more to be used in the trenches on the county road right-of-way where the pipeline will be buried. The District received a total of \$5,329,500 in grant funding which is about 31% of the project cost.

64 Commissioner Glen Morris recommended to use \$302,000 in SDC funds to pay for the required District's contribution to the
 65 project cost. The project qualifies to be funded from SDC collections and that opportunity should be taken since the use of
 66 SDC funds is very restrictive. Commissioner Karen Otta motioned to use \$302,000 from the SDC funds to pay for the
 67 District's contribution required by USDA to fund the project.
 68

69 **SRWD Board and City of Toledo City Council Meeting:**

70 President Rob Mills following direction from the SRWD Board sent a letter to the City of Toledo City Mayor and City
 71 Manager requesting an opportunity to meet and discuss a future water purchase agreement. The City Manager replied by
 72 offering to host a joint Toledo and SRWD meeting on July 1, 2020. It was discussed that it is better to meet in a smaller
 73 group to come up with the framework for a basic agreement before meeting with the council. President Rob Mills will
 74 contact the City Mayor and City Manager again with a proposal to meet before July 1, in a smaller group to develop a
 75 framework for an agreement to take to the city council.
 76

77 **Water Rate Adjustment for FY 2020-21:**

78 Staff is having difficulty to plan for a potential rate increase not knowing how much the City of Toledo will charge the District
 79 beginning November 1, 2020. During the initial discussion with City of Toledo representative in Feb and Mar 2019, it was
 80 discussed that the City could charge the District the outside rate plus the monthly base rate. The inside rate plus a monthly
 81 base rate was also discussed. The District has invested \$2.3 million in the City of Toledo's capital improvements the past
 82 few years. That could be taken into consideration to charge the District the inside rate.

83 It was discussed that with the current economic condition caused by the coronavirus pandemic, it is not the time to increase
 84 the customers' water usage rate. Commissioner Glen Morris recommended transferring funds from the reserve to balance
 85 the budget. It was the consensus of the Board not to increase the water rates and to transfer funds from Water Source
 86 Reserve to General Fund to balance the budget.
 87

88 **USDA Sub-grant Funding:**

89 The District received a USDA Letter of Condition approving the sub-grant of \$1,500,000 and a required fund contribution
 90 from the District of \$302,000. USDA representatives have been working hard in support of the District's sub-grant funding
 91 application.
 92

93 **Decision Items: None**
 94

95 **Reports, Comment, and Correspondence:**

96 **Budget Committee Meeting:**

97 The Budget Committee Meeting is scheduled for May 21, 2020 at 6:00 p.m. It is more likely to be a remote meeting using a
 98 conference call and video conference using a Zoom format unless there is a change in the governor's order.
 99

100 **Donor Contribution:** The District received a donation of \$3,000 from an individual whose family owns a property in Seal
 101 Rock since 1905. The donation is to pay for the delinquent water bills of customers whose jobs have been affected by the
 102 coronavirus pandemic. The District has waived the charges for the delinquent bill. The Donor wants to remain anonymous.
 103

104 **Recessed the regular board meeting:** President Rob Mills recessed the regular board meeting at 5:50 p.m. and directed
 105 those present to take a break before going into executive session. John Garcia, a member of the public in attendance
 106 excused himself and exited the Zoom Video Conference.
 107

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

109 The SRWD Board will now meet in Executive Session, pursuant to ORS 192.660(2)(h); To consult with legal counsel
 110 concerning the legal rights and duties of a public body with regards to current litigation or litigation likely to be filed.
 111 Representatives of the news media and designated staff shall be allowed to attend the executive session. All other
 112 members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to
 113 report on any of the deliberations. No final decisions shall be made in Executive Session.
 114

115 **Reconvened the regular board meeting:** President Rob Mills adjourned the executive session and reconvened the
 116 regular board meeting at 6:44 p.m.
 117

118 **Adjournment:** Commissioner Karen Otta motioned to adjourn the meeting. Commissioner Glen Morris seconded the
 119 motion. President Rob Mills adjourned the meeting at 6:45 p.m.
 120

121 **Next Board Meeting:** June 11, 2020, at 4:00 p.m. Regular Board Meeting.
 122
 123
 124
 125

126 Approved by Secretary

Date: _____

SEAL ROCK WATER DISTRICT
MINUTES OF THE
Budget Committee Meeting by Zoom Conference Call Only
May 21, 2020

Introduction to Remote Meeting:

Adam Denlinger, General Manager, explained that this Budget Committee Meeting is being conducted remotely using Zoom Video Conferencing in order to mitigate the transmission of the novel coronavirus and reduced risk of COVID-19 illness in accordance with Governor Brown's Executive Order 20-12 to suspend all public gatherings. Those present in the office building were sitting at their own desk which is at least 6 feet apart to promote the social distancing guidelines currently in place at the federal and state level.

Call Regular Meeting to Order:

President Rob Mills called the Budget Committee Meeting to order at 6:01 p.m., Thursday, May 21, 2020.

Present:

President Rob Mills confirmed that all commissioners present can hear each other by doing a roll call. Present by Zoom Video Conferencing were President Rob Mills; Commissioner Karen Otta; Commissioner Glen Morris; Barbara Flewellyn; James Senn; Tom Ryan. Staff: Adam Denlinger, General Manager; Joy King, Office Manager. Present by phone were Commissioner Deanna Gravelle and Barry Compton. No public attended in person nor by conference call.

Excused Absences: Commissioner Sandra Mies-Grantham

Elect Presiding Officer:

Barry Compton nominated James Senn to be the Presiding Officer. There was no other nomination. All 8 Budget Committee members voted yes for James Senn to be the Presiding Officer.

Read Budget Message for FY 2020-21 Budget: (See Attached)

Adam Denlinger, GM announced he will only read the highlights of the Budget Message. Upon the recommendation of Commissioner Morris, a salary for a treatment plant operator in preparation for the completion of the water treatment plant was added. Due to the current economic issue as a result of the coronavirus pandemic, the District will not increase the water rates and will use some of its reserves to cover the budget shortfall.

The original loan and grant approved by USDA through a Letter of Condition dated July 2, 2019 to fund the Beaver Creek Source Water Project included \$6,549,000 G.O. Bond Loan, \$2,547,000 Revenue Bond Loan, and \$2,799,500 grant. The District also entered into a contract with Business Oregon IFA on February 15, 2018 to provide partner financing of the Beaver Creek Source Water Project and received \$2,451,000 Revenue Bond Loan and \$1,030,000 Forgivable Loan. Because the construction bids came in higher than expected, the District applied for sub-grant funding through USDA-RD in the amount of \$1,802,000 to cover the funding shortfall. On May 11, 2020, the District received a Letter of Condition approving \$1.5 million grant funding with a District contribution of \$302,000 from System Development Charges (SDCs). The District's Permanent Tax Limit is .1259 per \$1,000 of property values within the District's taxing boundaries. The District's ad Valorem tax to levy is \$745,000. The health insurance rate will go up beginning July 1, 2020.

Barbara Flewellyn asked why the project cost went up so much higher than the engineer's estimate. It was discussed that USDA required a professional Residence Project Representative (RPR) to provide daily inspection of the project instead of using the District's senior operator. USDA also requires 5% of the project budget as a contingency. The District needs a county permit to work on their right of ways, and after meeting with county representatives, the District has to comply with additional requirements as to what materials to use to secure the pipes and the road where the pipes will be installed underground. All of these added together resulted in a budget shortfall.

Adam Denlinger, GM explained that the budget will be discussed one page at a time and will be approved as a whole at the end of the budget discussion.

Amend/Approve Budget Document:

The budget officer, James Senn led the discussion and asked Joy King, office manager to discuss the highlights of the budget for each fund.

General Fund, page 1, line 14 – The District budgeted \$203,000 in grants from SDAO and FEMA. Line 15 is a grant from Oregon Water Resources Department to fund the Mid-Coast Water Partnership Study. The District has been asked to be the lead agency to manage the grant. The District is not increasing the water usage rates and the monthly base charge. The shortfall in the budget will be covered from the transfer from the reserve fund shown on line 21.

Page 2, line 5 Employee Benefits, and line 6 Payroll Taxes include a Water Treatment Operator in preparation of the completion of the water treatment plant. Line 22 is the budget for the expenses related to the Mid-Coast Water Conservation and the Mid-Coast Water Partnership. It is a place-based planning supported by the OWRD which is now in step 3 out of 5 steps process. Page 3, line 3 and 4 include the salary of an additional employee as a water treatment plant operator. Line 24 is the budget to update the Master Plan and the District service map. It was discussed that the Master

63 Plan was completed in 2010 and it needs to be updated when the Beaver Creek Source Water Project is completed. The
 64 completion of the project will change the designation of the District from water distribution to water treatment and water
 65 distribution agency. The District's service map has not been updated for about 20 years. It is outdated and needs to be
 66 updated to include all the District's system improvements. Page 4 are transfers to reserves as required by USDA. Page 5 is
 67 a summary of the appropriations in the General Fund. James Senn asked the budget committee members if they approve
 68 the General Fund Budget as discussed. 8 members replied yes and 0 replied no.

69 **Debt Service Fund** page 6 is budget to pay for the 2011, 2012, 2013, 2016 General Obligation Bonds payable from
 70 property taxes. The taxes needed is \$684,037 and the ad Valorem taxes to levy is \$745,000 estimating a 92% rate of
 71 collection. Lines 22-25 includes unappropriated balance for the following year loan payments due before the full levied
 72 taxes are collected. James Senn asked the budget committee members if they approve the Debt Service Fund budget as
 73 presented and as discussed. 8 replied yes and 0 replied no.

74 **Revenue Bond Reserve Fund** page 7 is the budget to meet the obligation for the 2012 USDA Revenue Bond loan and the
 75 2016 IFA Revenue Bond loan. Resources for this fund is from revenue from water sales as a transfer from the General
 76 Fund. James Senn asked the budget committee if they approve the budget for the Revenue Bond Reserve as presented. 8
 77 replied yes and 0 replied no.

78 **Capital Projects Fund** page 8 is the budget to fund the Beaver Creek Source Water Project. Funding comes from loans
 79 and grants from USDA and Business Oregon IFA. Line 2 includes the interim loan from Truist Bank and USDA will carry the
 80 long-term loan after the project is completed. Line 16 Engineering – includes Geotech, survey, construction management,
 81 RPR, and start-up support. Line 25 Consultants – is for services for special inspection required by USDA. James Senn
 82 asked the budget committee members if they approve the Capital Projects Fund budget as presented. 8 replied yes and 0
 83 replied no.

84 **RD Requirement Reserve** page 9 is a requirement of the 2012 USDA Revenue Bond loan. The District has 10 years to
 85 contribute to this fund from the General Fund until the amount reaches the equivalent of 1-year loan payment which is
 86 \$74,332. Next year will be the last year to contribute to this fund. James Senn asked the budget committee members if they
 87 approve the RD Requirement Reserve Fund budget as presented. 8 replied yes and 0 replied no.

88 **SLARA/Depreciation Reserve** page 10 is a 2016 USDA G.O. Bond loan requirement to set aside \$84,000 annually to
 89 replace assets such as field and office equipment, vehicle, and others that have a life of 5 to 15 years. James Senn asked
 90 the budget committee members if they approve the SLARA/Reserve Fund budget as presented. 8 replied yes and 0 replied
 91 no.

92 **System Development Charges (SDCs)** page 1. This fund holds the SDC collections and can only be spent for projects
 93 approved by law that governs SDC collections such as, SDC Methodology Update and Master Plan Study/Update. The
 94 District received a USDA sub-grant funding of \$1.5M for the Beaver Creek Source Water Project and required a \$302,000
 95 district contribution from SDC reserve. Line 17 includes that required contribution. James Senn asked the budget committee
 96 members if they approve the System Development Charges Reserve budget as presented. 8 replied yes and 0 replied no.

97 **Water Source & Distribution System Improvement Reserve** page 12. The contribution to this reserve is from the
 98 General Fund. Line 23 is a transfer to the General Fund to cover the budget shortfall by not increasing the water rates to
 99 the customers. James Senn asked the budget committee members if they approve the Water Source & Distribution System
 100 Improvement Reserve budget as presented. 8 replied yes and 0 replied no.

101 **SRWD Land and Building Reserve** page 13. This reserve was set up to save money to purchase the land to build the
 102 office and shop facilities. The contribution came from General Fund. James Senn asked the budget committee members if
 103 they approve the SRWD Land and Building Reserve budget as presented. 8 replied yes and 0 replied no.

104
 105 Motioned by commissioner Glen Morris to approve the Budget for FY 2020-21 pages 1 through 13. Tom Ryan seconded
 106 the motion. James Senn asked the budget committee members if they approve the Budget for FY 2020-21 pages 1 through
 107 13. 8 replied yes and 0 replied no.

108
 109 James Senn motioned to approve the Permanent Rate Limit for General Fund Operation as .1259 per \$1,000 of the total
 110 assessed value of the District, and the Exempt Bond amount of \$745,000 as the ad Valorem property taxes to be certified
 111 for collection, as of July 1, 2020. Motion was seconded by commissioner Glen Morris. James Senn asked the budget
 112 committee members if they approve the motion. 8 replied yes and 0 replied no.

113
 114 **Adjournment:** Commissioner Karen Otta motioned to adjourn the meeting. President Rob Mills adjourned the meeting at
 115 7:45 p.m.

116
 117 **Next Board Meeting:** June 11, 2020, at 4:00 p.m. Regular Board Meeting.

118
 119
 120
 121
 122
 123 Approved by Secretary

Date:

Date: 6/1/2020

Monthly Statistics		Comments				
Total customers	2602	Includes new connection Less Abandoned / Forfeited meter plus 3 SRWD meters (shop X 2 & office) plus 1 Hydrant meter				
New connections	1					
Reinstalls	0					
Abandonments/Forfeitures/Meter Removed	0					
Financial Report		Checking/MM	LGIP/PFMA	Fund Balances	Comments	
General	\$131,745.68	\$17,328.01	\$149,073.69			
Bond	\$348,290.84	\$0.00	\$348,290.84			
Capital Projects	\$21,049.98	\$7,899,406.19	\$7,920,456.17	\$2,691,821.79 G.O. Bond Proceeds:		
Revenue Bond	\$2,718.28	\$31,006.47	\$33,724.75			
Rural Development Reserve	\$0.00	\$61,780.09	\$61,780.09			
Dist. Office/Shop Reserve	\$3,612.28	\$134,476.01	\$138,088.29			
Depreciation Reserve	\$0.00	\$248,214.94	\$248,214.94			
SDC (formerly SIP)	\$0.00	\$469,431.99	\$469,431.99	\$1,010,532.00 SDC collections thru 5/31/2020		
Water Source Improvement Rsv	\$0.00	\$888,358.76	\$888,358.76			
TOTALS	\$507,417.06	\$9,750,002.46	\$10,257,419.52			
General Fund Review		Current	FYTD	Budgeted Amount	Comments	
Revenue	\$149,525.03	1,825,928.61	\$2,479,200.00			
Expenses	\$108,972.35	1,766,307.92	\$2,479,200.00	Contingency \$100,000; Transfers \$448,570; Total expenses budgeted \$1,930,630		
Net Gain or (Loss) from Operations	\$40,552.68	\$59,620.69				
Water Sales Revenue Comparison		Month	FYTD	Comments		
Projected Water Sales	\$139,226	\$1,601,568	Leak Adjustments & Billings Adjustments (YTD = July - June)			
Actual+ In Lieu of Water Sales Less H2O CR	\$146,011	\$1,662,383	Less: Billing Adj YTD \$669.88; Leak Adj YTD \$33.05			
Over or (Under)	\$6,785.88	\$60,815.15	TOTAL YTD ADJUSTMENTS \$701.77			
Gallage Comparison		Current	Prior Year	Cost Comparison	Current	Prior Year
Gallons Purchased	7,362,000	8,006,000	Toledo Charges	\$27,018.55	\$25,939.45	
Gallons Sold (includes accountable loss)	7,217,398	7,265,143	SRWD Sales	\$141,011.46	\$139,225.58	
Variance %	1.96%	9.25%	Ratio: Sales/Cost	5.22	5.37	
Accountable Water Loss (gallons)	520,000		City of Newport Intertie Usage		0	
Approval To Pay Bills	Payroll 5/8/2020 \$21,113.72		Payroll 5/22/2020 \$20,800.16			
Month of:	May	(after meetings)	June			
	GF A/P	\$3,553.98	GF A/P	\$38,354.47	up to 6/4/2020	
	CPF A/P	\$0.00	CPF A/P	\$0.00		
	Bond Fund	\$0.00	Bond / Rev Bond Fund	\$74,332.00		
	Depreciation Rsv	\$0.00	Depreciation Rsv	\$0.00		
	AMI Project-Phase 3	\$0.00	AMI Project-Phase 3	\$0.00		
	MP - Phase 4 (IFA)	\$0.00	MP - Phase 4 (IFA)	\$3,768.50		
	Prelim. MP- Phase 4(USDA)	\$200.00	Prelim. MP- Phase 4 (USDA)	\$17,118.20		
	SDC Fund	\$0.00	SDC Fund	\$0.00		
	SRWD Funded	\$0.00	SRWD Funded	\$0.00		
Monthly Accrual Statistics		Beg. Balance	Accrued	Used/Paid	Balance	
		4/30/2020			5/31/2020	
Office Overtime Hours (2-01)	0.00	0.00	0.00	0.00		
Field Overtime Hours (2-02)	0.00	2.00	2.00	0.00		
PTO (3-01)	2673.59	121.86	40.00	2755.45		
Comp Time (9-01 / 9-02)	160.52	7.88	76.50	91.90		



PO Box 190 – 1037 NW Grebe Street – Seal Rock, Oregon 97376
Phone: 541.563.3529 – Fax 541.563.4246 – Web: www.srwd.org

Seal Rock Water District

General Manager's Report:
Board Meeting June 11, 2020

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:

District staff and engineer along with funding partners from USDA-RD met with R&G Excavating to conduct the Beaver Creek Source Water Improvement project walkthrough on June 1, 2020. The project walkthrough included visiting every site and walking the pipeline route from North Beaver Creek Road to the Makai Community. Attendees were reminded that Beaver Creek area is very popular. We can expect much traffic on Beaver Creek roads. Traffic control will be extremely important. Contractor provided a three-week schedule which included staging and site preparation mostly at the intake site. Other items highlighted during the meeting included:

- R&G Excavating solely responsible for site safety, per the General Conditions 7.12. R&G shall designate a qualified safety representative.
- CPI/Pioneer shared trenching and Phone Materials Delivery.
- Schedule of materials submittal review is ongoing.
- No contamination of river or other permit violations
- Highly important to minimize changes to the project
- High-quality installation to provide decades of service
- Appropriate level of paperwork—regular communication to maintain clarity of work, to avoid delays, and to avoid surprises, but not so much paperwork that it becomes inefficient for all
- Timely communication on submittals and questions
- All contract documents have been executed and are in review by USDA-RD
- USDA-RD Sub-grant funding request was approved.

COVID-19 DISTRICT RESPONSE:

The district continues to comply with Governor, Kate Brown's Executive Orders, and the LC Phase-1 reopening. The district office opened to the public on June 1st with limited access. We continue to encourage customers and staff to follow the CDC recommendations on social distancing by avoiding public spaces and limiting personal contact in the community. Out of an abundance of caution, the following protocols will continue to be followed:

- All non-essential meetings of 10-persons or more will be held using the district video conference call system.

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

Adam Denlinger, General Manager

adenlinger@srwd.org

www.srwd.org

- June Regular Board Meeting will be hosted by video conference call.
- All non-essential travel by district representatives has been canceled.
- SRWD is encouraging district staff and customers to practice social distancing and follow measures provided by the CDC to stop the spread of coronavirus.
- Customers are encouraged to pay their bill online at www.XpressBillPay.com or call 1-855-603-9201, use our payment drop box located outside our office at 1037 NW Grebe Street or mail payments to our PO Box 190, Seal Rock, OR 97376. Customers are also encouraged to enroll in the My Water Usage Customer Portal at biy.ly/mywaterusage.
- Temporary immediate suspension of delinquent turn-offs through the May billing cycle. This action been reevaluated, and the district has contacted those customers that are behind, encouraging them to make payment arrangements.
- Late fees and turn off/on fees have been suspended through May 2020.

Implementing these measures will reduce exposure to COVID-19 for our customers and staff. Like most municipal water suppliers throughout the state, we do not anticipate any disruption in service. We encourage anyone interested in learning more to please visit the CDC website for more information and updates on COVID-19 at www.cdc.gov/COVID19. We look forward to everyone staying healthy and getting back to normal as soon as possible.

OTHER NOTABLE ACTIVITIES FOR THE MONTH INCLUDE:

- May 14th attended webinar on global pandemic effects on water system.
- May 29th provided testimony to the State House Water Committee on the economic impacts on small water districts in Oregon.
- On May 21st hosted the annual SRWD Budget meeting.
- Attended on-site Beaver Creek water quality field data collection with GSI Consultants.
- May 26th met with representative regarding small subdivision development on Wenger Lane.
- Worked with general and special counsel regarding easement agreements.
- May 28th attended the Oregon Water Utility Council (OWUC) monthly meeting.
- Provided input to SDAO Legislative Committee regarding a joint letter to Members of the Joint Special Committee on Coronavirus at the state capitol.
- Met with representative from OWRD to discuss transition of the Mid-Coast Water Planning Partnership.
- Worked with Jacobs and USDA-RD to complete the EJCDC E-500 engineer/owner service agreement.
- Attended several video conferences with engineers, contractor, and USDA to discuss submittals and schedule for on-site work.
- Attended several meetings with OWRD representatives to discuss transition of the MC-WPP from the City of Newport to the District, and to review proposals for hiring a planning facilitator.



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: June 11, 2020							
Ordinance		Resolution		Motion		Public Hearing	X
Date Prepared: May 15, 2020				Dept.: Administration			
SUBJECT: FY 2020-2021 Budget Approved by Budget Committee				Contact Person for this Item: Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

RECOMMENDED BOARD ACTION:

In accordance with ORS Chapters 294.453 and 294.456, conduct a public hearing to receive public testimony regarding the FY 2020-2021 SRWD Budget Approved by Budget Committee.

FINANCIAL IMPACTS:

The FY 2020-2021 Budget reflects a total sum of \$30,479,047.

DISTRICT GOAL:

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

BACKGROUND:

The approved Seal Rock Water District annual budget for FY 2020-2021 has been prepared pursuant to Oregon Local Budget Law and meets or exceeds guidance provided in the Oregon Department of Revenues Local Budget Manual. The FY 2020-2021 budget includes projected loan and grant revenues for capital projects.

On May 21, 2020, the District's citizens member Budget Committee assembled to review and approve the budget for adoption by the District's Board of Commissioners. Pursuant to Oregon Budget Law the District is required to hold a Public Hearing to allow the public an opportunity to provide comment regarding the approved budget.

Submitted By: Adam Denlinger
Adam Denlinger, General Manager



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

Seal Rock Water District

DATE ACTION REQUESTED: June 11, 2020								
Ordinance		Resolution	X	Motion		Information		
Date Prepared: May 15, 2020				Dept.: Administration				
SUBJECT: FY 2020 - 2021 Budget Adoption				Contact Person for this Item: Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447				

RECOMMENDED BOARD ACTION:

Consider SRWD resolution No. 0620-01 authorizing the District to adopt the FY 2020-2021 SRWD Budget, Appropriating Funds, imposing a tax rate, and Categorizing the Taxes.

FINANCIAL IMPACTS:

The FY 2020-2021 approved budget is the District’s financial work plan and reflects a total sum of \$30,479,047.

DISTRICT GOAL:

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

BACKGROUND:

The approved budget of the Seal Rock Water District for fiscal year 2020-2021 has been prepared pursuant to Oregon Local Budget Law and meets or exceeds guidance provided in the Oregon Department of Revenues Local Budget Manual. The FY 2020-2021 budget includes projected loan and grant revenues for capital projects.

On May 21, 2020, the District’s Citizen Member Budget Committee assembled to review and approve the budget for adoption by the District’s Board of Commissioners. On June 11, 2020, a public hearing was held during the District Board of Commissioners’ regular June monthly meeting regarding the FY 2020-2021 budget approved by the Budget Committee to collect public testimony.

With approval from the Budget Committee and the Budget Officer, Staff is presenting for the consideration of the Board of Commissioners a balanced FY 2020-2021 SRWD Budget. Adopting resolution No. 0620-01 will certify the budget and will allow staff to make the final budget available at the District office and on the District’s website for the public.

By: Adam Denlinger
Adam Denlinger, General Manager

SEAL ROCK WATER DISTRICT BUDGET RESOLUTIONS
FISCAL YEAR 2020-21

RESOLUTION NO. 0620-01

RESOLUTION ADOPTING THE FY 2020-21 BUDGET

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF SEAL ROCK WATER DISTRICT HEREBY ADOPTS THE BUDGET FOR FISCAL YEAR 2020-21 IN THE TOTAL AMOUNT OF \$30,479,047. THIS BUDGET IS NOW ON FILE AT THE DISTRICT OFFICE AT 1037 NW GREBE STREET, SEAL ROCK, OREGON.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED THAT THE AMOUNTS SHOWN BELOW ARE HEREBY APPROPRIATED FOR THE FISCAL YEAR BEGINNING JULY 1, 2020, FOR THE FOLLOWING PURPOSES:

1)	<u>GENERAL FUND:</u>		
	PERSONNEL & SERVICES	\$1,040,700	
	MATERIALS AND SERVICES	\$1,502,100	
	CAPITAL OUTLAY	\$204,000	
	TRANSFER TO OTHER FUNDS	\$173,550	
	GENERAL OPERATING CONTINGENCIES	\$100,000	
	TOTAL GENERAL FUND APPROPRIATIONS		\$3,020,350
2)	<u>DEBT SERVICE FUND:</u>		
	DEBT SERVICE	\$773,590	
	TOTAL DEBT SERVICE FUND APPROPRIATIONS:		\$773,590
3)	<u>REVENUE BOND FUND:</u>		
	DEBT SERVICE	\$93,140	
	TOTAL REVENUE BOND FUND APPROPRIATIONS		\$ 93,140
4)	<u>CAPITAL PROJECT FUND:</u>		
	CAPITAL OUTLAY	\$24,232,100	
	TOTAL CAPITAL PROJECT FUND APPROPRIATIONS		\$24,232,100
5)	<u>RURAL DEVELOPMENT REQUIREMENT RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$69,210	
	TOTAL R.D. REQUIREMENT RESERVE FUND APPROPRIATIONS		\$69,210
6)	<u>SYSTEM DEVELOPMENT CHARGES FUND:</u>		
	CAPITAL OUTLAY	\$525,210	
	TOTAL SYSTEM DEVELOPMENT CHARGES FUND APPROPRIATIONS		\$525,210
7)	<u>SLARA/DEPRECIATION RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$355,500	
	TOTAL SLARA/DEPRECIATION RESERVE FUND APPROPRIATIONS		\$355,500

SEAL ROCK WATER DISTRICT BUDGET RESOLUTIONS
FISCAL YEAR 2020-21

8)	<u>WATER SOURCE IMPROVEMENT RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$552,050	
	TRANSFER TO GENERAL FUND	\$347,950	
	TOTAL WATER SOURCE IMP. RSRV. FUND APPROPRIATIONS		\$900,000
9)	<u>SRWD LAND & BUILDING RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$137,000	
	TOTAL SRWD LAND & BUILDING RESERVE FUND APPROPRIATIONS		\$137,000
	TOTAL APPROPRIATIONS – ALL FUNDS	\$30,106,100	
	TOTAL UNAPPROPRIATED & RESERVE AMOUNTS – ALL FUNDS	\$ 372,947	
	TOTAL ADOPTED BUDGET- ALL FUNDS	<u>\$30,479,047</u>	

RESOLUTION IMPOSING THE TAX

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE SEAL ROCK WATER DISTRICT HEREBY IMPOSES THE FOLLOWING AD VALOREM PROPERTY TAXES WITHIN THE DISTRICT FOR TAX YEAR 2020-21 BEGINNING July 1, 2020:

- 1) AT THE PERMANENT RATE OF \$0.1259 PER \$1,000 OF ASSESSED VALUE FOR THE GENERAL FUND OPERATIONS AND
- 2) IN THE AMOUNT OF \$745,000 FOR DEBT SERVICE ON THE GENERAL OBLIGATION BONDS;

RESOLUTION CATEGORIZING THE TAX

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

SUBJECT TO THE GENERAL GOVERNMENT LIMITATION

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

EXCLUDED FROM LIMITATION

GENERAL OBLIGATION BOND DEBT SERVICE \$745,000

THE ABOVE RESOLUTION STATEMENTS WERE APPROVED AND DECLARED ADOPTED ON THIS 11th DAY OF JUNE 2020.

ROBERT MILLS, PRESIDENT
SRWD BOARD OF COMMISSIONERS



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

Seal Rock Water District

DATE ACTION REQUESTED: June 11, 2020								
Ordinance		Resolution		Motion	X	Information		
Date Prepared: June 5, 2020				Dept.: District				
SUBJECT: MC-WPP Consultant Services Agreement				Contact Person for this Item: Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447				

RECOMMENDATION:

At the recommendation of the Co-conveners of Mid-Coast Water Planning Partnership (MCWPP) and serving as the lead agency for the partnership, consider authorizing the General Manager to negotiate an agreement and fee structure with the most qualified consultant to provide facilitation and plan writing services for the MCWPP and authorize the General Manager to sign the agreement.

FISCAL IMPACT:

Agreement does not commit the District to financial obligation; agreement establishes a fee structure for consultant services funded through a grant provided by the Oregon Water Resources Department (OWRD). Approval considers a cost not to exceed \$145,000.

BACKGROUND:

The Mid-Coast Water Planning Partnership is a regional planning group representing diverse water interests in the Mid-Coast Region. The group is working collaboratively to understand and meet the water needs of communities, the environment, and the economy in coastal watersheds from Cascade Head to Cape Perpetua. The Mission or purpose of the Partnership is to "develop an inclusive community forum which examines water use in the region, identifies current and potential water challenges, and creates a unified plan to balance water needs."

The Mid-Coast Water Planning Partnership received several scopes of services and cost from interested Facilitators who are capable of collaborative and participatory process design, strategic group facilitation, and strategic plan writing. Because the District is serving as the lead agency the contract will be administered by the Seal Rock Water District, which is the fiscal agent of the Partnership. The time-period for services is July 1, 2020 through December 30, 2021 with at least one meeting to initiate the consultant's work with the Partnership, and one meeting to deliver the final plan.

Submitted By: Adam Denlinger
Adam Denlinger, General Manager



Rural Development

Via Email:

Oregon State Office

1220 SW 3rd Ave.
Ste 1801
Portland, OR 97204

Voice: (503) 414-3300
Fax: (503) 414-3392

Date: 5/27/2020

Attn: Adam Denlinger
Seal Rock Water District
P.O. Box 190
Seal Rock, OR 97376

RE: Seal Rock Water District
USDA Loan/Grant #(s): 00-18
Obligation of Funds for: Beaver Creek Water Source Project

Dear Adam Denlinger:

Rural Development is pleased to advise you that Seal Rock Water District's request for a grant in the amount of: \$1,500,000.00 has been approved. We have received official notification from our National Finance and Accounting Operations Center that funds have been set aside for the project as of: 05/11/2020.

For your official records, we are providing you with form 1940-1 "Request for Obligation of Funds". Please refrain from making any announcements regarding this award at this time. No notification should be made to the congressional delegation or media until this award(s) is formally announced by the Agency.

Please continue to comply with the requirements listed in our Letter of Conditions dated: 05/11/2020.

If you have any questions, please contact: Holly Halligan, Community Programs Specialist in the Tangent Area Office. They may be reached by phone at (541) 801-2682, or by email at holly.halligan@usda.gov.

Sincerely,

**CHARLOTTE
BENTLEY**

Digitally signed by
CHARLOTTE BENTLEY
Date: 2020.05.28 06:44:20
-07'00'

Charlotte Bentley
Community Programs Director

USDA is an equal opportunity provider, employer, and lender. To file a complaint of discrimination, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <https://www.ascr.usda.gov/filing-program-discrimination-complaint-usda-customer> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by mail at U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410; by fax at (202) 690-7442; or by email at program.intake@usda.gov.