

SEAL ROCK WATER DISTRICT  
**Board of Commissioners**  
**Regular Board Meeting**  
**Thursday, June 8, 2023, @ 4:00 p.m.**

**Public Meeting by Zoom Video Conference**

SRWD will hold this meeting through Zoom video conferencing. Due to the limited capacity for in-person meetings, the public is invited to attend this meeting electronically. Please E-mail tkarlsen@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 tkarlsen@srwd.org by 2:00 p.m. on the day of the meeting to be included as public testimony. 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:**

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

- |                                       |                       |
|---------------------------------------|-----------------------|
| ● Invoice List                        | May 2023 to June 2023 |
| ● Board Meeting Minutes               | May 11, 2023          |
| ● Financial Report / Approve Invoices | May 2023 to June 2023 |
| ● USDA PMR Phase IV No. 34            | June 8, 2023          |
| ● General Manager's Monthly Report    | May 2023 to June 2023 |

● **Discussion and Information Items:**

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

● **Decision Items:**

- Consider Resolution 0623-01 authorizing the District to adopt a water rate adjustment for FY 2023 - 2024  
Presented by: Adam Denlinger, General Manager  
Joy King-Cortes, Office Manager
- Consider Resolution 0623-02 adopting the SRWD FY 2023/2024 annual budget, appropriating funds, and levying taxes.  
Presented by: Adam Denlinger, General Manager  
Joy King-Cortes, Office Manager

● **Reports, Comments, and Correspondence:**

- Customer comments regarding the proposed water rate increase.

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

The SRWD Board may 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. 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 13, 2023, @ 4:00 p.m.** Regular Board Meeting or establish date.

## Report Criteria:

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

**ORIGINAL**

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount
<b>01-1310</b>				
PETER &/OR SHANNAN PHILPO	053123	Refund Overpayment Final Bill	05/31/2023	13.43
Total 01-1310:				13.43
<b>01-5173</b>				
PIONEER CONNECT TELEPHO	080123	WTP Telephone Services/Internet	08/01/2023	199.45
Total 01-5173:				199.45
<b>01-5174</b>				
AT&T MOBILITY	05232023	Wireless WTP	05/15/2023	51.34
Total 01-5174:				51.34
<b>01-5204</b>				
HR ANSWERS	52554	Consultant Services 4/14 & 4/25/2023	05/09/2023	90.00
Total 01-5204:				90.00
<b>01-5271</b>				
CENTURYLINK	052523	Toledo Pump Station SCADA	05/25/2023	70.95
CHARTER COMMUNICATIONS	007859705192	Internet (Office)	05/19/2023	129.98
PIONEER CONNECT TELEPHO	080123	Telephone Services/Internet	08/01/2023	1,635.29
Total 01-5271:				1,836.22
<b>01-5272</b>				
AT&T MOBILITY	05232023	Wireless	05/15/2023	154.02
Total 01-5272:				154.02
<b>01-5291</b>				
PETTY CASH	053023	Postage: USPS Certified Mail to Customers	05/30/2023	16.28
PETTY CASH	053023	Postage: USPS Mailed check to Westech	05/30/2023	7.50
PETTY CASH	053023	Postage: USPS Certified Mail to Forfeiture Customer	05/30/2023	8.13
US POSTAL SERVICE - WALDP	051923	Bulk Mailing	05/19/2023	908.28
US POSTAL SERVICE - WALDP	051923	Additional amount to bring balance on account to \$1000.00 for future mailings	05/19/2023	4.28
Total 01-5291:				944.45
<b>01-5310</b>				
TCB SECURITY SERVICES INC.	243391	Base Monthly Account Fee	06/01/2023	40.00
TCB SECURITY SERVICES INC.	243391	Level 1 (No included calls)	06/01/2023	4.95
Total 01-5310:				44.95
<b>01-5360</b>				
PETTY CASH	053023	Chevron: 2 bags ice & 2 sodas for Budget Committee Meeting	05/30/2023	6.18
PETTY CASH	053023	Ray's Snacks for WTP tour	05/30/2023	39.27
Total 01-5360:				45.45

Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount
<b>01-5601</b>				
PETTY CASH	053023	Feed Corral: 2 pairs pants for Rory	05/30/2023	79.18
Total 01-5601:				79.18
<b>01-5605</b>				
CASCADE COLUMBIA DISTRIBU	866535	Caustic Soda 50% NSF 550# Drum	05/09/2023	616.00
CASCADE COLUMBIA DISTRIBU	866535	Container Deposit	05/09/2023	150.00
CASCADE COLUMBIA DISTRIBU	866535	Sulfuric Acid 50% 55 gallon drum	05/09/2023	403.20
CASCADE COLUMBIA DISTRIBU	866535	Container Deposit	05/09/2023	150.00
CASCADE COLUMBIA DISTRIBU	866535	Freight	05/09/2023	141.90
CASCADE COLUMBIA DISTRIBU	866535	Environmental Surcharge	05/09/2023	35.00
CASCADE COLUMBIA DISTRIBU	866988	Container Return - Credit Memo	05/10/2023	975.00-
CASCADE COLUMBIA DISTRIBU	866988	Container Return - Credit Memo	05/10/2023	400.00-
CASCADE COLUMBIA DISTRIBU	866988	Freight	05/10/2023	210.00
CASCADE COLUMBIA DISTRIBU	867703	Caustic Soda 25% NSF 550# Drum	05/22/2023	649.00
CASCADE COLUMBIA DISTRIBU	867703	Container Deposit	05/22/2023	300.00
CASCADE COLUMBIA DISTRIBU	867703	Freight	05/22/2023	141.44
CASCADE COLUMBIA DISTRIBU	867703	Environmental Surcharge	05/22/2023	35.00
PETTY CASH	053023	Ray's: Baking soda to clean up acid leak at WTP	05/30/2023	6.87
PETTY CASH	053023	Walmart: Soap & trash bags for WTP	05/30/2023	25.54
PETTY CASH	053023	Sacramento State Course Package for Estes WT CEUs	05/30/2023	145.00
USA BLUE BOOK	INV00002013	freight	05/03/2023	23.35
USA BLUE BOOK	INV00004242	Hach RoVer®; Rust Remover, 454 g, 30001;	05/08/2023	27.40
USA BLUE BOOK	INV00006439	Sludge Judge II Complete Set	05/09/2023	234.95
USA BLUE BOOK	INV00006439	Sludge Judge II Middle/Extension Section	05/09/2023	93.95
USA BLUE BOOK	INV00006439	freight	05/09/2023	86.19
Total 01-5605:				2,099.79
<b>01-5610</b>				
CENTRAL LINCOLN P.U.D.	051923	Utility Services	05/19/2023	1,731.67
Total 01-5610:				1,731.67
<b>01-5611</b>				
CENTRAL LINCOLN P.U.D.	051923	WTP Utility Services	05/19/2023	2,110.50
Total 01-5611:				2,110.50
<b>01-5629</b>				
USA BLUE BOOK	INV00002013	Membrane Kit for Hach CL10sc Free and Total Chlorine Sensors with Stainless St	05/03/2023	348.00
Total 01-5629:				348.00
Grand Totals:				9,748.45

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Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount
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Dated: 5-31-2023

General Manager: A. [Signature]

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

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

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Report Criteria:

Detail report.

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

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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
<b>01-2520</b>				
GSI WATER SOLUTIONS INC.	00500.017-1	MCWPP: Water Action Plan Prioritization & Early Implementation Steps Support 1/	02/14/2023	1,785.00
GSI WATER SOLUTIONS INC.	00500.017-2	MCWPP: Water Action Plan Prioritization & Early Implementation Steps Support 2/	03/14/2023	5,527.50
Total 01-2520:				7,312.50
Grand Totals:				7,312.50

Dated: 5-15-23

General Manager: A. N. [Signature]

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

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

[Handwritten 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
11-5751 KNAPHEIDE TRUCK EQUIPMEN	POJ11033	Knapheide Dump Bed for 2022 Dodge Ram 5500 Reg. Cab Chassis (SLARA)	04/27/2023	23,130.00
Total 11-5751:				23,130.00
Grand Totals:				23,130.00

Dated: 5/24/2023

General Manager: A. Wink

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

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

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**SEAL ROCK WATER DISTRICT  
MINUTES OF THE  
Regular Board Meeting, Rate Hearing and Budget Hearing  
by Zoom Conference Call and In Person  
May 11, 2023**

**Introduction to Remote Meeting:**

Denlinger, General Manager, explained that this board meeting is being conducted remotely and in person. Due to the limited capacity for in-person meetings, the public is invited to attend this meeting electronically. He further explained that the Board President will call each name to confirm those who are present via Zoom conference. After each person hears their name, they need to reply. For each decision item on 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 names, he or she will give a vote in the affirmative by saying YES or negative by saying NO.

**Call Regular Meeting to Order:**

President Rob Mills called the work session & regular board meeting to order at 4:01 p.m., Thursday, May 11, 2023.

**Present:**

President Rob Mills confirmed that all commissioners present can hear each other by doing a roll call. No one was present on Zoom Conference Call. Present in person in the Board room were Commissioner Rob Mills, Board President; Commissioner Glen Morris, Member; and Commissioner Paul Highfill, Member. Attorney Jeff Hollen, Legal Counsel. Staff: Adam Denlinger, General Manager; Joy King-Cortes, Office Manager. Members of the public attending through Zoom were Teresa Denlinger and Claire Gerdes.

**Excused Absences:** Commissioner Karen Otta and Commissioner Sandra Mies-Grantham.

**Announcements/Public Comments:**

President Rob Mills asked if there are any announcements.

Commissioner Glen Morris recommended moving the rate hearing after approving the consent calendar so that those present to attend the rate hearing don't need to wait. Commissioner Paul Highfill had no announcement; Joy King-Cortes, Office Manager had no announcement; General Manager, Adam Denlinger had no announcement. Attorney Jeff Hollen had no announcement. President Rob Mills had no announcement.

**Consent Calendar:**

Items on the consent calendar are April/May 2023 Invoices List for approval; April 13, 2023, Regular Board Meeting minutes; April/May 2023 Financial Report; and General Manager's Monthly Report. President Rob Mills asked if each commissioner reviewed the consent calendar items. Commissioner Glen Morris answered YES; Commissioner Paul Highfill answered YES; and President Rob Mills answered YES. Commissioner Glen Morris motioned to approve the consent calendar. Commissioner Paul Highfill seconded the motion. The motion passed 3-0.

**Rate Hearing:** President Rob Mills open the public hearing at 4:05 pm in accordance with ORS Chapter 294.312, to receive public testimony regarding the proposed water rate adjustment for FY 2023-24. The GM, Adam Denlinger explained that the cost of materials and services has gone up 35%, affecting the district's operation. In the last two years, the board decided not to increase the rate and see how the new water treatment plant affects operational costs when completed. There are new costs in running the new water treatment plant like chemicals, utilities, and regulatory requirements. The district is subject to compliance with the EPA's new Lead and Copper Rule and increased water sampling for testing.

The required public notice was provided to customers as inserts to the monthly bills. The staff received six emails from the customers and were included as public testimonies in the board meeting packet. The staff received four additional emails this morning and are added to the meeting packet as part of the public testimonies. One of the emails is from Claire Gerdes who is present through Zoom. President Rob Mills asked Ms. Gerdes if she has additional comments to which she replied that her testimony/comment is contained in the email and that she has no additional comment at this time.

**Budget Hearing:**

President Rob Mills closed the rate hearing at 4:10 pm and opened the budget hearing for public testimony. The FY 2023-24 Budget includes the amount for the annual operations of the district, annual loan payments, and contributions to required reserves. On April 20, 2023, at 6:00 pm, the Budget Committee held a meeting to review and approve the proposed budget in the total amount of \$10,749,570. The staff did not receive any written comments regarding the budget approved by the Budget Committee. President Rob Mills asked the public present through Zoom if she has any comment to which she replied she has no comment. President Rob Mills closed the budget public hearing at 4:15 pm and reconvened the regular board meeting.

63 **Discussion and Information Items:**  
64 **Primary Source Water Project Update:** The Water Treatment Plant is operating for a month now without interruption.  
65 The contractor has been on-site to work on items on the punch list. The contractor used a camera in locating the problem  
66 with the drain line. It was discovered that the problem is not under the concrete but outside the WTP between the building  
67 and the wash basin where there is a crack on the pipe. Excavation to repair the drain pipe is scheduled for next week.  
68 On April 27, the SRWD staff and engineers hosted a tour of the Water Treatment Facility for the Makai Community which  
69 is most impacted by the project. The engineers at the beginning of the project, Paul Berg and Tom McPherson attended  
70 the tour and answered questions from the customers. John Filbert who was a board member in the beginning phase of  
71 the project also attended the tour which was attended by about 60 people who took the opportunity to see how water is  
72 treated from Beaver Creek through the Ultra Membrane Filtration before water is delivered to the customers.  
73

74 **Decision Items:**

75 **Consider Approving Amendment No. 4 to Owner – Engineer Agreement:**

76 Jacobs Engineer submitted Amendment No. 4 to increase the contract by \$36,560. This cost is due to continued support  
77 caused by the delays in project completion. This cost is not covered by USDA loans and grants and will be paid from the  
78 district's money in the Capital Projects Fund. Commissioner Glen Morris motioned to approve Amendment No. 4.  
79 Commissioner Paul Highfill seconded the motion. The motion was passed 3 – 0.

80 **Consider Approving Resolution No. 0523-01:**

81 During the April 20, Budget Committee Meeting it was discussed that the Depreciation/Short-lived Assets Replacement  
82 Account (SLARA) Fund description needs to be amended to include: paying for repairs and/or replacement of major  
83 system assets based on the preliminary report schedule of short-lived assets with an estimated life of 15 years or less as  
84 specified by USDA Letter of Conditions. Commissioner Glen Morris motioned to approve Resolution 0523-01.  
85 Commissioner Paul Highfill seconded the motion. The motion was passed 3 – 0.  
86

87 **Reports, Comments, Correspondence:**

88 The office will be closed on May 9, in observance of Memorial Day. The district received a Drinking Water Services  
89 Outstanding Performance Certificate from the Oregon Health Authority (OHA) as a result of the water system survey  
90 performed by OHA on March 13, 2023. The SRWD water system facilities were found to be well-operated and maintained  
91 by knowledgeable staff. As an Outstanding Performer, the next system survey will be done in five years instead of every 3  
92 years.

93 The district also received the Pacific Northwest Meter System of the Year 2023 at the Utility Solution Expo in Seaside.  
94 The district received this award for the team's vision and determination to take the smart water grid system and customer  
95 service to the next level. The award was accepted by Brendi Hoch and Brad Wynn who attended the expo.  
96

97 **Recessed Regular Board Meeting:** President Rob Mills recessed the Regular Board Meeting at 4:32 p.m. to go into an  
98 executive Session.  
99

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

101 The SRWD Board may meet in Executive Session, pursuant to ORS 192.660(2)(h); To consult with legal counsel  
102 concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.  
103 Representatives of the news media and designated staff shall be allowed to attend the executive session. All other  
104 members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to  
105 report on any of the deliberations. No final decisions shall be made in Executive Session. The public who attended the  
106 meeting through Zoom were excused from the executive session.  
107

108 **Reconvened Regular Board Meeting:** President Rob Mills adjourned the Executive Session and reconvened the  
109 Regular Board Meeting at 5:15 p.m.  
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111 **Adjournment:** Motioned by Commissioner Glen Morris to adjourn the meeting. The motion was seconded by  
112 Commissioner Paul Highfill. The meeting was adjourned at 5:16 p.m.  
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114 **Next Board Meeting:** June 8, 2023, at 4:00 Regular Board Meeting.  
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121 Approved by Board President

Date:



### SRWD Monthly Financial Report

Monthly Statistics		Comments			
Total customers	2671	Includes new connects Less Abandoned / Forfeited meter plus 3 SRWD meters (shop X 2 & office) plus 1 Hydrant meter			
New connections	3				
Reinstalls	0				
Abandonments/Forfeitures/Meter Removed	0				
Financial Report	Checking/MM	LGIP/PFMA	Fund Balances	Comments	
General	\$455,593.28	\$17,986.96	\$473,580.24		
Bond	\$637,568.83	\$0.00	\$637,568.83		
Capital Projects	\$140,768.42	\$68,547.10	\$209,315.52	\$7,421,586 Interim Loan Proceeds	
Revenue Bond	\$2,793.95	\$2,500.33	\$5,294.28		
Rural Development Reserve	\$0.00	\$95,924.90	\$95,924.90		
Dist. Office/Shop Reserve	\$3,614.90	\$123,405.54	\$127,020.44		
Depreciation/SLARA Reserve	\$0.00	\$232,380.70	\$232,380.70		
SDC (formerly SIP)	\$0.00	\$701,517.01	\$701,517.01	\$1,274,808.00 SDC collections thru 5/31/2023	
Water Source Improvement Rsrv	\$0.00	\$253,296.11	\$253,296.11		
<b>TOTALS</b>	<b>\$1,240,339.38</b>	<b>\$1,495,558.65</b>	<b>\$2,735,898.03</b>		
General Fund Review	Current	FYTD	Budgeted Amount	Comments	
Revenue	\$177,617.70	2,249,348.16	\$2,836,650.00		
Expenses	\$171,181.09	2,186,831.34	\$2,836,650.00	Contingency \$100,000; Transfers \$428,350; Total expenses budgeted \$2,308,300	
Net Gain or (Loss) from Operations	\$6,436.61	\$62,516.82			
Water Sales Revenue Comparison	Month	FYTD	Comments		
Water Sales Current Year	\$161,016.57	\$1,896,046.55	Leak Adjustments & Billings Adjustments (YTD = July - June)		
Actual+In Lieu of Water Sales Less H2O CR	\$166,015.08	\$1,950,881.37	Billing Adj FYTD \$40.00		
Water Sales Prior Year	\$164,894.46	\$1,973,235.87	Leak Adj/Write off FYTD \$125.18		
Actual+In Lieu of Water Sales Less H2O CR	\$165,666.88	\$2,023,814.37	TOTAL FYTD ADJUSTMENTS \$165.18		
Over or (Under)	-\$3,877.89	-\$77,189.32			
Gallage Comparison	Current	Prior Year	Cost Comparison	Current	Prior Year
Gallons Purchased/Intertie/WTP Treated	9,457,183	6,915,105	Toledo Charges	\$0.00	\$40,044.43
Gallons Sold (includes accountable loss & intertie)	6,086,582	6,480,579	SRWD Sales	\$161,016.57	\$164,894.46
Variance %	35.64%	6.28%	Ratio: Sales/Cost	0.00	4.12
Gallons Produced/Treated at WTP	9,449,000		4/11-5/11/2023		
Gallons from Toledo Master Meter	0		Toledo Master Meter Readings read by SRWD field crew		
SRWD Intertie Usage (Purchased)	8,183		Additional water SRWD used/purchased from Newport Intertie		
Total Water Received	9,457,183				
City of Newport Intertie Usage (Sold)	0		Gallons sold to City of Newport for water used from the Newport Intertie		
Total Gallons Accounted	6,496,277		From flushing, leaks, CL2 Analyzer, & fire hydrant use & R&G		
Total Gallons Unaccounted	2,960,906				
Water Loss Percentage	31.31%				
Approval To Pay Bills	Payroll 5/5/2023 \$25,041.47		Payroll 5/19/2023 \$24,641.79		
Month of:	May	(after meeting)	June		
	GF A/P	\$9,748.45	GF A/P	\$12,424.19	up to 6/2/2023
	SDC Fund	\$0.00	SDC Fund	\$0.00	
	Bond/Rev Bond Fund	\$0.00	Bond/Rev Bond Fund	\$0.00	
SLARA: Dump bed for 2022 Dodge Ram 5500	Depreciation/SLARA	\$23,130.00	Depreciation/SLARA	\$0.00	
	MP - Phase 4 (IFA)	\$0.00	MP - Phase 4 (IFA)	\$0.00	
	MP- Phase 4 (USDA)	\$0.00	MP- Phase 4 (USDA)	\$20,905.91	
	MCWPP	\$7,312.50	MCWPP	\$0.00	
	MCWCC	\$0.00	MCWCC	\$0.00	
Monthly Accrual Statistics	Beg. Balance	Accrued	Used/Paid	Balance	
	4/30/2023			5/31/2023	
Office Overtime Hours (2-01)	0.00	0.00	0.00	0.00	
Field Overtime Hours (2-02)	0.00	1.75	1.75	0.00	
PTO (3-01)	3025.51	118.78	68.00	3076.29	
Comp Time (9-01 / 9-02)	187.37	25.51	74.75	138.13	

c:\msoffice\excel\guide21				OR Instruction 1780			
				Modified OR Guide 21			
<b>PROJECT MONITORING REPORT</b>		<b>1. Type of Request</b>		2. Report No. <b>34</b>		updated 5-11-2020	
		Final <input type="checkbox"/> Partial <input checked="" type="checkbox"/>					
<b>3. REPORT PERIOD</b>		<b>4. BORROWER INFORMATION</b>					
Ending 05/31/2023		Name: Seal Rock Water District					
		Address: 1037 NW Grebe Street, Seal Rock, OR 97376					
<b>BUDGET ITEMS</b>				<b>STATUS OF BUDGET</b>			
(All entries under Column "b" must be justified with an attachment) (All entries under column "e" must be documented with an attached invoice)		(a)	(b)	(c)	(d)	(e)	(f)
		<b>Budgeted</b>	<b>Budget</b>	<b>Revised</b>	<b>Previous</b>	<b>This</b>	<b>TOTAL</b>
		<b>Amounts</b>	<b>Change</b>	<b>Budget</b>	<b>Total</b>	<b>Period</b>	<b>(d)+(e)</b>
		(from LOC)					<b>Remaining Balance (c)-(f)</b>
a. Engineering- Design		\$947,000	\$91,000.00	\$1,038,000.00	\$1,038,000.00		\$ 1,038,000.00
b. Engineering- Membrane Pre-purchase		\$35,000	\$2,990.00	\$37,990.00	\$37,990.00		\$ 37,990.00
c. Engineering- Bid Services		\$45,000	-\$3.00	\$44,997.00	\$44,997.00		\$ 44,997.00
d. Engineering-Basic Engineering		\$380,000	\$27,799.86	\$407,799.86	\$407,799.86		\$ 407,799.86
e. Engineering-Project Inspection		\$0	\$696,784.02	\$696,784.02	\$673,224.02	\$ 12,751.96	\$ 685,975.98
f. Engineering-Start Up		\$20,000	\$10,000.00	\$30,000.00	\$30,000.00		\$ 30,000.00
g. Engineering- Software Development		\$0	\$305,835.12	\$305,835.12	\$292,970.73	\$ 8,153.95	\$ 301,124.68
h. Legal Services/Land Purch. (easements)		\$400,000	\$77,205.02	\$477,205.02	\$477,205.02		\$ 477,205.02
i. Geotechnical Site Investigation		\$51,000	-\$23.00	\$50,977.00	\$50,977.00		\$ 50,977.00
j. Surveying		\$26,000	\$3,962.00	\$29,962.00	\$29,962.00		\$ 29,962.00
k. Permitting		\$170,000	\$48,486.00	\$218,486.00	\$218,486.00		\$ 218,486.00
l. Archeological/Environmental Mitigation		\$40,000	-\$22,954.00	\$17,046.00	\$17,046.00		\$ 17,046.00
m. Bond counsel Services		\$80,000	-\$24,500.00	\$55,500.00	\$55,500.00		\$ 55,500.00
n. Interim Interest & Expense		\$360,000	-\$161,028.78	\$198,971.22	\$198,971.22		\$ 198,971.22
o. Consultant/Admin/Legal-phase 4		\$12,000	\$127,414.01	\$139,414.01	\$139,414.01		\$ 139,414.01
p. Line of Credit Refinance (COT expenses)		\$1,616,500	-\$429,500.00	\$1,187,000.00	\$1,187,000.00		\$ 1,187,000.00
q. Line of Credit Refinance- Interest		\$0	\$22,914.00	\$22,914.00	\$22,914.00		\$ 22,914.00
r. Contingency		\$1,306,000	-\$1,301,233.16	\$4,766.84	\$0.00		\$ 4,766.84
s. Additional IFA Services		\$0	\$342,502.74	\$342,502.74	\$342,502.74		\$ 342,502.74
t. Tree Clearing		\$0	\$13,785.00	\$13,785.00	\$13,785.00		\$ 13,785.00
u. Tank Removal		\$0	\$18,752.00	\$18,752.00	\$18,752.00		\$ 18,752.00
v. Software/Licensing			\$28,396.24	\$28,396.24	\$28,396.24		\$ 28,396.24
x. Construction Costs:					\$0.00		
1. Contractor R&G		\$8,966,000	\$1,743,799.43	\$10,709,799.43	\$9,892,318.82		\$ 9,892,318.82
2. Westech- Membrane Purchase		\$922,000	-\$17,611.50	\$904,388.50	\$904,388.50		\$ 904,388.50
3. Other-Electrical at Intake/WTP		\$0	\$202,421.50	\$202,421.50	\$202,421.50		\$ 202,421.50
4. Other-Compaction Test		\$0	\$52,400.50	\$52,400.50	\$52,400.50		\$ 52,400.50
5. Other-98th St. PRV Calibration		\$0	\$5,210.00	\$5,210.00	\$5,210.00		\$ 5,210.00
6. Other- Electrical VFD		\$0	\$12,500.00	\$12,500.00	\$12,500.00		\$ 12,500.00
<b>k. TOTAL PROJECT COST</b>		<b>\$15,376,500</b>	<b>\$1,877,304.00</b>	<b>\$17,253,804.00</b>	<b>\$16,395,132.16</b>	<b>\$20,905.91</b>	<b>\$16,416,038.07</b>
l. Funding Allocation							
1) Business Oregon Loan/Grant		\$3,481,000	\$0	\$3,481,000.00	\$3,481,000.00		\$ 3,481,000.00
2) USDA Rev Bond Loan		\$2,547,000	\$0	\$2,547,000.00	\$2,547,000.00		\$ 2,547,000.00
3) USDA GO Bond Loan		\$6,549,000	\$0	\$6,549,000.00	\$6,549,000.00		\$ 6,549,000.00
4) USDA Grant		\$2,799,500	\$0	\$2,799,500.00	\$2,799,500.00		\$ 2,799,500.00
5) USDA Sub Grant		\$0	\$1,500,000	\$1,500,000.00	\$676,888.16		\$676,888.16
6) Applicant Contribution		\$0	\$374,185	\$374,185.00	\$338,625.00	\$20,905.91	\$ 359,530.91
7) Interest			\$3,119.00	\$3,119.00	\$3,119.00		\$ 3,119.00
<b>m. TOTAL PROJECT FUNDING</b>		<b>\$15,376,500</b>	<b>\$1,877,304.00</b>	<b>\$17,253,804.00</b>	<b>\$16,395,132.16</b>	<b>\$ 20,905.91</b>	<b>\$ 16,416,038.07</b>
n. Percentage of Completion					95%	0%	95%
<b>5. CERTIFICATION</b>							
<i>I certify that to the best of my knowledge and belief 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.</i>							
<b>BORROWER</b>		Signature of Authorized Certifying Official				Date Submitted:	
						04/17/2023	
		Adam Denlinger, General Manager				Telephone:	
						(541) 563-3529	
<b>6. RURAL DEVELOPMENT ACCEPTANCE</b>							
<i>This form and attachments have been reviewed and are accepted by Rural Utilities Service unless otherwise noted. This review and acceptance by RUS 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.</i>							
<b>RURAL UTILITIES SERVICE</b>		Signature of Authorized Certifying Official				Date Submitted:	
		Holly Halligan, Area Loan Specialist				Telephone:	
						(541) 801-2682	
<b>NOTES:</b>							



1037 NW Grebe Street  
 Seal Rock, Oregon 97376  
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 www.srwd.org



## Seal Rock Water District

General Manager's Report:  
 Board Meeting June 8, 2023

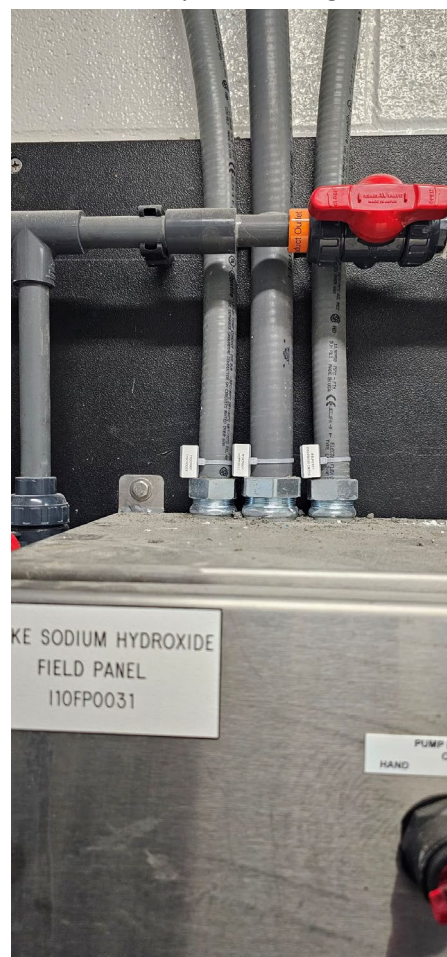
*This report is an executive summary provided with this Board agenda to Commissioners with recommended actions if any. Detailed information, staff reports, and supporting materials are provided within the full agenda packet.*

### PHASE-IV BEAVER CREEK SOURCE WATER PROJECT:

Jacobs engineers continue tracking final punch-list items necessary to certify final project completion. The contractor has been very slow in responding to the final punch list items. Operations staff assisted the contractor in facilitating repairs to the 2-inch drain line located between the membrane building and backwash basins. The contractor was on site May 30<sup>th</sup> and 31<sup>st</sup> to repair the 2-inch drain line, replace floats at the intake site, and label electrical wiring throughout the project. The remaining items for final completion include Electrical Commissioning Third Party Testing of the Generator at the WTP performed by Taurus, complete tagging of the electrical system throughout the project, and sound insulation for the backup generator.



**2-inch Drain Line Repair:**



**Electrical Line Labeling:**

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

Adam Denlinger, General Manager

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

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

**Other notable activities for the month include:**

- Attended meetings with engineers to discuss final completion and schedule for work on punch list items for the Beaver Creek Source Water Project.
- Staff have been preparing information for completing the updates to the Water Management and Conservation Plan.
- Attended SDAO Personnel Committee meeting in Tigard.
- Met with consultants to discuss compliance with the new EPA Lead and Copper Rule.
- Attended Mid Coast Water Conservation Consortium Meeting.
- District operators picked up the new dump truck from Portland.
- Staff interviewed one applicant to fill a vacancy in the Distribution Operation and a conditional offer of employment was made pending the outcome of drug screening and background check.
- Met with property owners in the district to discuss water quality on Rikken Ave.
- Attended OWRD Place-Based Planning Quarterly Meeting.
- Met with GSI Water Solutions to review progress on MC-WPP, and the Water Management and Conservation Plan.
- District staff has been preparing information for the 2023 – 2024 budget to include a water rate adjustment.
- Attended SDAO Legislative Water Committee meetings.
- Attended SDAO/SDIS Joint Working Group Meeting.
- Attended the Monthly Oregon Water Utility Commission (OWUC) Meeting.
- Met with consultants and contractors at the WTP and Intake to discuss the installation of security lighting and cameras.
- Met with legal counsel to discuss project completion and potential schedule for arbitration.
- Staff met with the City of Toledo to discuss the option of supporting an emergency source water supply.



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# Seal Rock Water District

<b>zDATE ACTION REQUESTED: June 8, 2023</b>							
<b>Ordinance</b>		<b>Resolution</b>	<b>X</b>	<b>Motion</b>	<b>X</b>	<b>Information</b>	
<b>Date Prepared: May 21, 2023</b>				<b>Dept.: Administration</b>			
<b>SUBJECT: Consider a Resolution Adopting and Approving a Water Rate Adjustment for FY 2023 - 2024</b>				<b>Contact Person for this Item:</b> Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

**RECOMMENDED BOARD ACTION:**

Consider Resolution 0623-01 authorizing the district to adopt a rate increase in the average of between 10.3% and 16.3%.

**FINANCIAL IMPACTS:**

The philosophy of the District has been to maintain a program of small annual increases to lessen the need for larger increases. Other considerations include increases in goods and services, satisfying annual debt service, transfers to capital, and source water reserves.

**BACKGROUND:**

Seal Rock Water District (SRWD) customers have not experienced an adjustment in the rate since 2021. Water rates are used to build, maintain, and operate the public drinking water system our customers rely on. While the district works hard to deliver water to our customers at a reasonable cost, from time-to-time adjustment in the rate is necessary. SRWD has made a generational investment in a long-term water supply, which replaced the Toledo supply in 2022. The district has leveraged its financial resources to construct \$24M in capital improvements over the past 12 years. The district has been able to offset the impact on rates by obtaining \$9M in combined grants over the same time period.

Like everyone, the impact of inflationary costs is affecting the district and is a significant driver for this year’s rate increase. Things like goods and services, personnel costs, along with increases in state and federal requirements have a major influence on the budget. The cost of supplies has risen by as much as 35% over the past three years. Supply chain issues for parts and equipment generate extended downtime which triggers the need to purchase water from a secondary source. Additional state and federal regulations to comply with EPA Lead and Copper Rule Revision and state safe drinking water regulations require additional costly sampling and analytical support.

To meet the ongoing Operational and Maintenance needs of the Water Distribution and newly constructed Water Treatment System an adjustment in the rate will be necessary. As a result, the SRWD Board of Commissioners will review and consider the adoption of an average between 10.3% and 16.3% increase in the monthly rate which would take effect beginning June 2023. If adopted, customers can expect to see an increase beginning with the May-June meter reading cycle and the June monthly base facility charge for the statements mailed at the end of June 2023.

The effect of the increase for a domestic customer that uses 1,000 gallons per month is \$9.75 a month (from \$46.00 to \$55.75). The calculation process for outside-district customer water rates will remain at 150% of the inside-district rate.

By: Adam Denlinger  
 Adam Denlinger, General Manager



PO Box 190 · 1037 NW Grebe Street · Seal Rock, Oregon 97376  
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## Seal Rock Water District

RESOLUTION NO. 0623-01

A RESOLUTION ADJUSTING THE RATES AND CHARGES TO  
BE PAID BY CUSTOMERS OF THE SEAL ROCK WATER DISTRICT

WHEREAS, Pursuant to ORS 264.312 a rate hearing was held on May 11, 2023, which included rate increases for FY 2023-2024 and;

WHEREAS, proposed future increases require a public hearing pursuant to ORS 264.312 and;

WHEREAS, rate adjustments are approved by the SRWD Board of Commissioners through resolution; NOW, THEREFORE,

BE IT HEREBY RESOLVED, THAT:

The district's water consumption rates charged per thousand gallons for domestic users will increase between 2.9% and 9.6% per thousand gallons and for Commercial users 4.2% to 68%, subject to individual usage. For domestic users, the monthly water base charge will increase at a flat rate of \$6.50 per month effective July 1, 2023. The combined rate increase in monthly Base Charge and Water Consumption Rate is an average between 10.3% and 16.3% for domestic and commercial users and is subject to usage. Rates are to take effect beginning with the June – July meter reading billing cycle for the statements mailed at the end of July 2023. An updated rate sheet is attached to this resolution and is available to the community for review.

APPROVED JUNE 8, 2023

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Robert Mills  
SRWD Board President

(FY 2023-24 increase proposals attached, and other rate data available)



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# Seal Rock Water District

<b>DATE ACTION REQUESTED: June 8, 2023</b>							
<b>Ordinance</b>		<b>Resolution</b>	<b>X</b>	<b>Motion</b>	<b>X</b>	<b>Information</b>	
<b>Date Prepared: May 17, 2023</b>				<b>Dept.: Administration</b>			
<b>SUBJECT: FY 2023 - 2024 Budget Adoption</b>				<b>Contact Person for this Item:</b> Adam Denlinger, General Manager adenlinger@srwd.org. 541-563-4447			

**RECOMMENDED BOARD ACTION:**

Consider SRWD Resolution No. 0623-02 authorizing the District to adopt the FY 2023-2024 SRWD Budget, Appropriating Funds, imposing a tax rate, and Categorizing the Taxes.

**FINANCIAL IMPACTS:**

The FY 2023-2024 approved budget is the District’s financial work plan and reflects a total sum of \$10,749,570.

**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 the fiscal year 2023-2024 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 2023-2024 budget includes projected loan and grant revenues for capital projects.

On April 20, 2023, the District’s Citizen Member Budget Committee assembled to review and approve the budget for adoption by the District’s Board of Commissioners. On May 11, 2023, a public hearing was held during the District Board of Commissioners' regular May monthly meeting regarding the FY 2023-2024 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 2023-2024 SRWD Budget. Adopting Resolution No. 0623-02 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: *A. Denlinger*  
 Adam Denlinger, General Manager

**SEAL ROCK WATER DISTRICT BUDGET RESOLUTIONS  
FISCAL YEAR 2023-24**

**RESOLUTION NO. 0623-02**

**RESOLUTION ADOPTING THE FY 2023-24 BUDGET**

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF SEAL ROCK WATER DISTRICT HEREBY ADOPTS THE BUDGET FOR FISCAL YEAR 2023-24 IN THE TOTAL AMOUNT OF \$10,749,570. 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, 2023, FOR THE FOLLOWING PURPOSES:

1)	<u>GENERAL FUND:</u>		
	PERSONNEL & SERVICES	\$1,494,300	
	MATERIALS AND SERVICES	\$1,132,000	
	CAPITAL OUTLAY	\$ 62,500	
	TRANSFER TO OTHER FUNDS	\$ 416,320	
	GENERAL OPERATING CONTINGENCIES	\$ 100,000	
	TOTAL GENERAL FUND APPROPRIATIONS		\$3,205,120
2)	<u>DEBT SERVICE FUND:</u>		
	DEBT SERVICE	\$1,107,730	
	TOTAL DEBT SERVICE FUND APPROPRIATIONS:		\$1,107,730
3)	<u>REVENUE BOND FUND:</u>		
	DEBT SERVICE	\$ 297,770	
	TOTAL REVENUE BOND FUND APPROPRIATIONS		\$ 297,770
4)	<u>CAPITAL PROJECT FUND:</u>		
	CAPITAL OUTLAY	\$3,880,020	
	TOTAL CAPITAL PROJECT FUND APPROPRIATIONS		\$3,880,020
5)	<u>RURAL DEVELOPMENT REQUIREMENT RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$ 109,090	
	TOTAL R.D. REQUIREMENT RESERVE FUND APPROPRIATIONS		\$ 109,090
6)	<u>SYSTEM DEVELOPMENT CHARGES FUND:</u>		
	CAPITAL OUTLAY	\$ 746,000	
	TOTAL SYSTEM DEVELOPMENT CHARGES FUND APPROPRIATIONS		\$ 746,000
7)	<u>SLARA/DEPRECIATION RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$ 343,570	
	TOTAL SLARA/DEPRECIATION RESERVE FUND APPROPRIATIONS		\$ 343,570



**SEAL ROCK WATER DISTRICT BUDGET RESOLUTIONS  
FISCAL YEAR 2023-24**

8)	<u>WATER SOURCE IMPROVEMENT RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$ 253,000	
	TOTAL WATER SOURCE IMP. RSRV. FUND APPROPRIATIONS		\$ 253,000
9)	<u>SRWD LAND &amp; BUILDING RESERVE FUND:</u>		
	CAPITAL OUTLAY	\$ 135,100	
	TOTAL SRWD LAND & BUILDING RESERVE FUND APPROPRIATIONS		\$ 135,100
	TOTAL APPROPRIATIONS – ALL FUNDS	\$10,077,400	
	TOTAL UNAPPROPRIATED & RESERVE AMOUNTS – ALL FUNDS	\$ 672,170	
	TOTAL ADOPTED BUDGET- ALL FUNDS	<u>\$10,749,570</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 2023-24 BEGINNING July 1, 2023:

- 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 \$1,125,000 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 ..... \$1,125,000

THE ABOVE RESOLUTION STATEMENTS WERE APPROVED AND DECLARED ADOPTED ON THIS 8<sup>th</sup> DAY OF JUNE 2023.

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ROBERT MILLS, PRESIDENT  
SRWD BOARD OF COMMISSIONERS

## Trish Karlsen

---

**From:** Colleen Martin [REDACTED]  
**Sent:** Saturday, May 13, 2023 6:14 AM  
**To:** Trish Karlsen  
**Subject:** No increase please!

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good morning,  
I'm already struggling just kidding by. I live on \$1200 a month and an increase would just be an undue burden for me. With inflation and the cost of everything going up, I'll be sinking fast!  
Colleen Martin  
Sent from my iPad

## Trish Karlsen

---

**From:** marlene shapiro [REDACTED]  
**Sent:** Sunday, May 14, 2023 9:18 AM  
**To:** Trish Karlsen  
**Subject:** Raised rates

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Please do not raise our water rates again. Many of us are on a fixed income and it puts stress on us to have to come up with even more \$\$ to cover water bills. Please don't raise rates again.

Sent from my iPhone

**Trish Karlsen**

---

**From:** Susan Hicks [REDACTED]  
**Sent:** Friday, May 12, 2023 11:11 AM  
**To:** Trish Karlsen  
**Subject:** No increase please

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Sent from my iPad

**Trish Karlsen**

---

**From:** Deb Nelson <[REDACTED]>  
**Sent:** Thursday, May 11, 2023 8:25 PM  
**To:** Trish Karlsen  
**Subject:** Water increases

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

NO to rising my water bill.

## Trish Karlsen

---

**From:** Nicole Harper [REDACTED]  
**Sent:** Thursday, May 11, 2023 5:03 PM  
**To:** Trish Karlsen  
**Subject:** Water increase

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi, I am very concerned about our water going up, that would financially devastate our family. Not to mention, the quality of water has gone down significantly. It's salty, if not salty it's chlorine pool water that can barely be filtered and fit to drink. I'm not okay with this, and neither is the rest of South Beach community.

Kind regards,

Nicole & Zachary Harper  
Long time account holders and resident of south Beach for 15 years Sent from my iPhone