



# Board Meetings

**ARCH CAPE WATER & SANITARY DISTRICTS**  
**32065 E. Shingle Mill Lane, Arch Cape, OR 97102**  
**(503) 436-2790**

**THE PUBLIC IS INVITED, IF THEY WISH,  
TO ATTEND IN PERSON:  
THE FIRE HALL, 72979 US 101,  
ARCH CAPE  
BY TELEPHONE OR ZOOM LINK:**

To Join the **Zoom Video Meeting** paste the following in your browser address window:

[Board Meeting Zoom Link](#)

<b>Call:</b>	<b>669-900-6833</b>
<b>Meeting ID:</b>	<b>824 5089 8403</b>
<b>Meeting Passcode:</b>	<b>None Required</b>
<b>Assistance:</b>	<b>503-812-7578</b>
<b>Date:</b>	<b>Thursday, 18 January 2024</b>
<b>Time:</b>	<b>6:00 PM for Board Meetings</b>

**The Water District Board Meeting will start at 6:00 pm, followed by the Sanitary District Board.**

**Agenda will be posted in Board Packet on the Website under “Governance – Meetings – 2024”**

**ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT  
BOARD OF COMMISSIONERS MEETING**

Thursday January 18, 2024. 6:00 PM

In-Person at the Firehouse and Zoom

<https://us02web.zoom.us/j/87369759588?pwd=RFFDRjlzdFgrZFZOaFlxNlZxSndwQT09>

The Board Meeting adheres to a 1.25 hour meeting rule. Meeting discussion will conclude sharply at that time to allow for the last 3 agenda items. Any uncompleted or remaining business will be rolled over until the next monthly Board Meeting.

**Domestic Water Supply District Meeting**

- |       |   |      |
|-------|---|------|
| I.    | <b>Call to Order</b>  | Bill |
| II.   | <b>Conflict of Interest Declarations</b>  | Bill |
| III.  | <b>Public Comments</b>  | Bill |
| IV.   | <b>Agenda Approval (Action)</b>   | Bill |
| V.    | <b>Accept December Minutes (Action) – Pg. 3-4</b>   | Bill |
| VI.   | <b>Financial &amp; Administrative Reporting</b>   |      |
|       | <b>A. Accept December Budget &amp; Balance Sheet - Pg. 5-8</b>                            | Bill |
|       | <b>B. Accept Arch Cape Forest Accounting Worksheet - Pg. 9</b>                            | Bill |
|       | <b>C. Accept December Payment of Accounts - Pg. 10-11</b>                                 | Bill |
|       | <b>D. Accept Correspondence Requiring No Action</b>                                       | Bill |
|       | <b>E. Treasurer’s Report</b>  | Sam  |
| VII.  | <b>Audits -Implementing Board Oversight (Action) – Pg. 12</b>                             | Bill |
| VIII. | <b>Calendar of Upcoming Events (Information) – Pg. 13</b>                                 | Bill |
| IX.   | <b>Reports</b>  |      |
|       | <b>A. Staff Report and Correspondence for Action - Pg. 14</b>                             | Matt |
|       | <b>B. Board Members’ Comments and Reports</b>   | All  |
| X.    | <b>Watershed:</b>   | Bill |
|       | <b>A. Authorize contracting with recommended Consulting Forester (Action)- Pg. 15-35</b>  |      |
|       | <b>B. Amended Governance Section for Public Comment (Information) – Pg. 36-42</b>         |      |
|       | <b>C. Recommended Process for Deciding how to pay for costs (Information) – Pg. 43-57</b> |      |
| XI    | <b>February Meeting</b>   | Bill |
|       | <b>A. Resolution – New Procurement Rules (Action)</b>                                     |      |
|       | <b>B. Adopt Amended Governance Section of Multi-Resource Mgmt Plan (Action)</b>           |      |
|       | <b>B. Other Agenda Items</b>  |      |
| XII.  | <b>Public Comments</b>  | Bill |
| XIII. | <b>Adjournment</b>  | Bill |

Legend: **X.** means discussion topic and main focus of the meeting.

**ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT**  
**BOARD OF COMMISSIONERS MEETING**  
Thursday, December 14, 2023

Pursuant to notice posted, the regular monthly Board Meeting for the Arch Cape Domestic Water Board was held via Zoom.

In attendance: Water District: Bill Campbell, Chair, Tevis Dooley, Bob Cerelli, Sam Garrison; Absent: Chris Mastrandrea; Staff: Matt Gardner, Teri Fladstol, Public.

Call to Order at 6:00pm made by Bill Campbell, Water President

Conflict of Interest Declarations; no conflict of interest was brought forward.

Public Comments: None

Agenda Approval: Motion by Tevis Dooley to accept Agenda; Second by Bob Cerelli, motion carried.

November Minutes: Motion by Bob Cerelli to accept Minutes as presented, Second by Sam Garrison, motion carried.

Financial & Administrative Reporting: Treasurer report by Sam Garrison indicated everything has been reconciled and looks good.

Board Comments:

Bob Cerelli spoke to Jason from the Fire Department about the improvement to the Shingle Mill access road to the Forest. Jason expressed concern that the turn around that is half way up the road was not large enough. Bob and Matt will drive the road and assess the turnabout. A meeting will be held with Ben Hayes and Jason in early January.

The Finance Committee has completed the work that was requested of them by the Board. Their recommendations will be presented to the Board at the January Meeting.

The Boards' Presidents (Bill and Casey) are drafting a State of the Districts letter to be sent out in early January. A Zoom meeting and an in-person meeting with the community about the State of the Districts will be held in late January / early February. Board members expressed interest in this becoming an annual activity.

Watershed: Motion made to issue an intent to Award the Roads Contractor contract to Vinson Brothers Construction and to authorize President, Bill Campbell, to negotiate and sign a contract with Vinson Brothers Construction; motion made by Bob Cerelli, second made by Tevis Dooley; motion carried.

An RFP has been distributed for a Consulting Forester. The purpose of the Consulting Forester is to provide Project Management to the Roads Contractor and to provide Forestry expertise to the District. Responses to the RFP are due on January 9<sup>th</sup> and a recommendation will be presented to the Board at the January meeting. The intent is to have both the Consulting Forester and the Roads Contractor under contract by the end of January.

Other: Hybrid Board Meetings (in-person at the firehouse with Zoom) will become the default

Proposed January Agenda Items: (to the extent that time allows)

- A. Resolution – New Contracting Rules and Procedures
- B. Authorize contracting with recommended Consulting Forester
- C. Finance Committee Recommendations -

- D. Watershed Public Access & Recreation Policy
- E. Other

Public Comments: None

Motion to adjourn by Bob Cerelli, second by Sam Garrison, meeting adjourned at 6:20 pm.

Submitted by:

Attest:

*Teri Fladstol, Secretary*

*W E Campbell II*

Teri Fladstol, Secretary

DRAFT

ARCH CAPE DOMESTIC WATER DISTRICT - BUDGET VS ACTUAL BY CLASS  
FISCAL YEAR 2023/2024

GENERAL FUND											
RESOURCES	Budget	23-Jul	23-Aug	23-Sep	23-Oct	23-Nov	23-Dec	Year to Date	Unspent	% Spent	
01-4100 · Beginning Balance	\$ 119,057										
REVENUE											
01-4601 · Base Rate Meter Sales	\$ 201,703	31,543.15	1,957.00	23,294.32	26,636.75	2,075.00	20,199.00	\$ 105,705	95,998	52%	
01-4604 · Overage/Excess Usage	\$ 17,000	1,481.97	286.68	5,379.00	6,649.00	472.00	859.00	\$ 15,128	1,872	89%	
01-4605 · Debt Service	\$ 20,740	2,972.96	204.00	2,093.00	2,563.00	195.00	1,974.00	\$ 10,002	10,738	48%	
01-4200 · IGA Income (Sanitary District)	\$ 157,500		9,105.81		8,889.74	10,234.23	26,837.91	\$ 55,068	102,432	35%	
01-4501 · Meter Hook-Up Fee	\$ 1,400	700.00	700.00					\$ 1,400	-	100%	
01-4400 · Cannon View Park Services	\$ 800			1,313.34				\$ 1,313	(513)	164%	
01-4700 · Miscellaneous Income	\$ -					4,851.00		\$ 4,851	(4,851)		
01-4750 · LGIP - Interest	\$ 1,000	567.04	960.67	1,117.75	1,227.68	954.92	897.88	\$ 5,726	(4,726)	573%	
TOTAL REVENUE	\$ 400,143	\$ 37,265	\$ 13,214	\$ 33,197	\$ 45,966	\$ 18,782	\$ 50,768	\$ 199,193	\$ 200,950	50%	
TOTAL RESOURCES	\$ 519,200	\$ 37,265	\$ 13,214	\$ 33,197	\$ 45,966	\$ 18,782	\$ 50,768	\$ 199,193	\$ 200,950		
REQUIREMENTS											
MATERIALS & SERVICES											
01-5001 · Wage - District Manager	\$ 80,000	6,667	6,667	6,667	6,667	6,667	6,667	\$ 39,933	40,067	50%	
01-5002 · Wages - Operator	\$ 55,000	4,140	4,534	4,140	4,355	4,411	4,250	\$ 25,829	29,171	47%	
01-5003 · Employer Payroll Taxes	\$ 12,500	1,071	1,083	921	943	948	932	\$ 5,889	6,611	47%	
01-5004 · PERS Retirement	\$ 35,250	334	1,753		584	1,209		\$ 3,880	31,370	11%	
01-5005 · Medical Insurance	\$ 40,000	1,570		785	1,570	791	845	\$ 5,561	34,439	14%	
01-5006 · Worker's Compensation Insurance	\$ 3,400				(356)			\$ (356)	3,756	-10%	
TOTAL PERSONNEL SERVICES	\$ 226,150	\$ 13,781	\$ 14,036	\$ 12,512	\$ 13,763	\$ 14,025	\$ 12,695	\$ 80,736	\$ 145,414	36%	
01-6001 · Administrative Services	\$ 38,400	3,250	3,200		6,400		6,400	\$ 19,250	19,150	50%	
01-6002 · Temporary Help	\$ 10,000	150						\$ 150	9,850	2%	
01-6003 · Clothing Allowance	\$ 1,000				156			\$ 156	844	16%	
01-6004 · Education	\$ 2,700	414						\$ 414	2,286	15%	
01-6005 · Travel	\$ 1,000	225						\$ 225	775	23%	
01-6006 · Office Supplies	\$ 2,300	50	146	221	40	231	130	\$ 818	1,482	36%	
01-6007 · Postage	\$ 2,500	12	15		580		264	\$ 871	1,629	35%	
01-6008 · Vehicle	\$ 4,000	217	286	288	2,409	320	174	\$ 3,694	306	92%	
01-6101 · Facilities Use (Santiary)	\$ 3,750							\$ -	3,750		
01-6102 · Payroll Administration Service	\$ 500	40	40	40	40		97	\$ 257	243	51%	
01-6103 · Liability & Property Insurance	\$ 12,000					9		\$ 9	11,991		
01-6104 · Licenses	\$ 2,000							\$ -	2,000		
01-6105 · Dues & Taxes	\$ 1,450			3,190	(3,116)	520	1,022	\$ 1,616	(166)	111%	
01-6106 · Professional Services	\$ 5,000							\$ -	5,000		
01-6107 · Auditing Service	\$ 15,000							\$ -	15,000		
01-6108 · Legal Services	\$ 5,000							\$ -	5,000		
01-6109 · Notices	\$ 700	138						\$ 138	562	20%	
01-6110 · Utilities	\$ 12,000	288	1,194	674	791	625	2,106	\$ 5,679	6,321	47%	
01-6200 · Maintenance	\$ 65,000	3,076	1,003	2,084	8,727	2,043	482	\$ 17,415	47,585	27%	

01-6201 · Chemicals	\$ 6,500	265	3,202					\$ 3,467	3,033	53%
TOTAL MATERIALS & SERVICES	\$ 190,800	\$ 8,126	\$ 5,884	\$ 9,698	\$ 16,028	\$ 3,749	\$ 10,675	\$ 54,159	\$ 136,641	28%
01-7001 · Meter Replacement	\$ -									
01-7002 · Access Road to WWTP	\$ 2,000								2,000	
01-7500 · Debt Serv-IFA Water Plant Upgrade [P]	\$ 17,023					17,193.57		\$ 17,194	(171)	101%
01-7500 · Debt Serv-IFA Water Plant Upgrade [I]	\$ 3,749					3,578.13		\$ 3,578	171	95%
01-8000 · Contingency - GF	\$ 62,843								62,843	
01-8003 · Undesignated - GF	\$ 16,636								16,636	
TOTAL REQUIREMENTS:	\$ 519,200	\$ 21,906	\$ 19,920	\$ 22,210	\$ 29,791	\$ 38,545	\$ 23,370	\$ 155,667	\$ 363,534	30%

CAPITAL FUND											
RESOURCES											
02-4100 · Beginning Balance	\$79,677								79,677	79,677	100%
REVENUE											
02-4550 · SDC Revenue	\$13,163	6,390	6,581						12,971	192	99%
TOTAL REVENUE		6,390	6,581						12,971		
TOTAL RESOURCES	\$92,840	\$6,390	\$6,581						\$92,648	\$92,840	
REQUIREMENTS											
02-7000 · Capital Outlay	\$0								\$ -		
02-8001 · Operating Contingency	\$92,840								\$ -		
TOTAL REQUIREMENTS:	\$92,840								\$ -	\$92,840	

FOREST (WATERSHED) FUND

RESOURCES

03-4101 · Undesignated Balance	\$409,103									409,103	
REVENUE											
03-4801 · Business OR - ARPA	\$776,626		129,574			112,957			242,531	534,095	31%
03-4804 · Safe Drinking Water (U22010)	\$30,000									30,000	
03-4990 · Hollis Foundation				90,000					90,000		
03-4850 · Private Donations	\$0		800				625		1,425		
03-4751 · LGIP - Interest	\$14,625	677	688	702	771	986	1,467		5,292	9,333	36%
TOTAL REVENUE	\$ 821,251	677	131,062	90,702	771	113,943	2,092		339,248		28%
TOTAL RESOURCES	\$1,230,354	\$677	\$131,062	\$90,702	\$771	\$113,943	\$2,092		\$339,248	\$943,198	

REQUIREMENTS

Audit	\$10,000								\$ 10,000		
03-7805 · ODF Fire Protection	\$2,335					2,550			\$ 2,550	(215)	109%
03-7805 · Legal Fees	\$4,500					2,350	480		\$ 2,830	1,670	63%
03-7803 · Project Management Services	\$40,836	27,533		28,699	6,125	13,714			\$ 76,070	(35,234)	186%
03-7803 · Project Management - District Staff	\$13,104						76		\$ 76	13,028	
03-7802 · Forestry Services	\$45,029		14,878	17,858					\$ 32,736	12,293	73%
03-7800 · Finance Management	\$6,000	500	500		1,000			1,000	\$ 3,000	3,000	50%
03-7990 · Hollis Foundation						428	11,720		\$ 12,148	(12,148)	
03-7800 · Construction	\$638,899		180	8			19,964		\$ 20,152	618,747	
03-7802 · Land Maintenance Repair	\$48,258			40,843	13,687	15,997			\$ 70,527	(22,269)	146%
TOTAL REQUIREMENTS	\$ 808,961	\$ 28,033	\$ 15,558	\$ 87,408	\$ 20,812	\$ 35,038	\$ 33,239		\$ 220,089	\$588,872	27%
03-8000 · Contingency											
	\$421,393										
TOTAL REQUIREMENTS & CONTINGENCY	\$1,230,354	\$ 28,033	\$ 15,558	\$ 87,408	\$ 20,812	\$ 35,038	\$ 33,239		\$ 220,089		

**Arch Cape Domestic Water District**  
**Balance Sheet**  
 As of December 31, 2023

	<u>Dec 31, 23</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
00-1000 · #1196 Main Checking	16,806.34
01-1100 · Local Gov Pool - Water 5783	192,919.81
03-1101 · Local Gov Pool - Forest 6469	361,451.83
<b>Total Checking/Savings</b>	<b>571,177.98</b>
<b>Total Current Assets</b>	<b>571,177.98</b>
<b>TOTAL ASSETS</b>	<b>571,177.98</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
	1,200.00
<b>Total Liabilities</b>	<b>1,200.00</b>
Equity	
3200 · Retained Earnings	394,332.94
Net Income	175,645.04
<b>Total Equity</b>	<b>569,977.98</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>571,177.98</b>



## ARCH CAPE FOREST ACCOUNTING WORKSHEET

<u>ARPA Activity</u>		<u>Approved Budget</u>	<u>Through</u> <u>Disbursement DR8</u>	<u>Current Request (DR9)</u>	<u>Remaining</u>
Project Mgmt	\$	75,682.00	\$ (53,554)	\$ -	\$ 22,128.00
Finance Mgmt	\$	6,000.00	\$ (8,000)	\$ (1,000.00)	\$ (3,000.00)
Construction	\$	692,878.00	\$ (55,399)	\$ (19,930.00)	\$ 617,549.00
Legal Fees	\$	7,500.00		\$ (2,430.00)	\$ 5,070.00
Forestry Consultant	\$	98,000.00	\$ (97,431)	\$ -	\$ 569.00
Land Acquisition	\$	940,000.00	\$ (940,000)		\$ -
Land Maint + Repair (PCT)	\$	174,090.00	\$ (76,233)	\$ (10,207.58)	\$ 87,649.42
Conservation Planning	\$	5,850.00	\$ (5,850)	\$ -	\$ -
<b>Total</b>	<b>\$</b>	<b>2,000,000.00</b>	<b>\$ (1,236,467)</b>	<b>\$ (33,567.58)</b>	<b>\$ 729,965.42</b>

<u>Clean Drinking Water Activit</u>		<u>Approved Budget</u>	<u>Disbursements</u>	<u>Current Request</u>	<u>Remaining</u>
Rock in DWSA	\$	30,000.00			\$ 30,000.00

<u>Hollis Activity</u>		<u>Approved Budget</u>	<u>Disbursements</u>	<u>Current Request</u>	<u>Remaining</u>
	\$	90,000.00	\$ (12,148)		\$ 77,852.25

<u>Fund Activity</u>		<u>FY Budget</u>	<u>YTD Disbursements</u>	<u>Remaining</u>
ODF Patrol Fee Assessment	\$	2,335	\$ (2,550)	\$ (215)
Property Management	\$	-	\$ (76)	\$ (76)
Legal	\$	-	\$ (400)	\$ (400)
Audit	\$	10,000		\$ 10,000
Local Option Levy				
Admin				
Materials / Supplies	\$	-	\$ (164)	\$ (164)
<b>Total</b>	<b>\$</b>	<b>12,335</b>	<b>\$ (3,190)</b>	<b>\$ 9,145</b>

Type	Num	Date	Name	Account	Paid Amount
Check	EFT	12/2/2023	MODA Health	01-5005 · Medical Insurance	\$ (392.43)
Check	EFT	12/2/2023	MODA Health	01-5005 · Medical Insurance	\$ (392.42)
Check	EFT	12/6/2023	Brother	01-6006 · Office Supplies	\$ (65.00)
Check	EFT	12/6/2023	Brother	01-6006 · Office Supplies	\$ (64.99)
Check	2171	12/7/2023	Jigsaw Consulting Services	01-6001 · Administrative Services	\$ (1,728.00)
Check	2171	12/7/2023	Jigsaw Consulting Services	01-6001 · Administrative Services	\$ (1,472.00)
Check	2171	12/7/2023	Jigsaw Consulting Services	01-6007 · Postage	\$ (142.56)
Check	2171	12/7/2023	Jigsaw Consulting Services	01-6007 · Postage	\$ (121.44)
Check	2170	12/7/2023	NAPA Auto Parts	01-6200 · Maintenance	\$ (35.14)
Check	2173	12/8/2023	SDIS	01-5005 · Medical Insurance	\$ (60.63)
Check	2175	12/8/2023	Jackson Oil	01-6008 · Vehicle	\$ (174.26)
Check	2172	12/8/2023	Pacific Power	01-6110 · Utilities	\$ (446.87)
Check	2174	12/8/2023	CenturyLink	01-6110 · Utilities	\$ (162.15)
Check	2176	12/8/2023	Verizon Wireless	01-6110 · Utilities	\$ (591.60)
Check	EFT	12/11/2023	Sure Payroll	01-6102 · Payroll Administration Service	\$ (18.00)
Check	EFT	12/11/2023	Sure Payroll	01-6102 · Payroll Administration Service	\$ (21.99)
Check	2178	12/14/2023	gWorks	01-6105 · Dues & Taxes	\$ (1,022.00)
Check	2179	12/14/2023	Ferguson Waterworks	01-6200 · Maintenance	\$ (444.21)
Check	EFT	12/15/2023	Sure Payroll	01-5001 · Wage - District Manager	\$ (1,666.67)
Check	EFT	12/15/2023	Sure Payroll	01-5001 · Wage - District Manager	\$ (1,666.66)
Check	EFT	12/15/2023	Sure Payroll	01-5002 · Wages - Operator	\$ (1,139.60)
Check	EFT	12/15/2023	Sure Payroll	01-5002 · Wages - Operator	\$ (1,139.60)
Check	EFT	12/15/2023	Sure Payroll	01-5003 · Employer Payroll Taxes	\$ (240.73)
Check	EFT	12/15/2023	Sure Payroll	01-5003 · Employer Payroll Taxes	\$ (240.73)
Check	EFT	12/15/2023	Sure Payroll	2400 · Payroll Liabilities	\$ (1,417.73)
Check	EFT	12/15/2023	Sure Payroll	2400 · Payroll Liabilities	\$ 1,417.73
Check	EFT	12/15/2023	Sure Payroll	2401 · Payroll PERS Liability	\$ 200.00
Check	EFT	12/18/2023	Sure Payroll	01-6102 · Payroll Administration Service	\$ (25.65)
Check	EFT	12/18/2023	Sure Payroll	01-6102 · Payroll Administration Service	\$ (31.35)
Check	EFT	12/18/2023	Verizon Wireless	01-6110 · Utilities	\$ (591.60)
Check	2181	12/21/2023	AT&T Mobility	01-6110 · Utilities	\$ (313.96)
Check	2182	12/21/2023	Ferguson Waterworks	01-6200 · Maintenance	\$ (30.68)
Check	EFT	12/22/2023	CS&S	01-6200 · Maintenance	\$ (281.25)
Check	2183	12/28/2023	Jigsaw Consulting Services	01-6001 · Administrative Services	\$ (1,728.00)
Check	2183	12/28/2023	Jigsaw Consulting Services	01-6001 · Administrative Services	\$ (1,472.00)
Check	EFT	12/29/2023	Sure Payroll	01-5001 · Wage - District Manager	\$ (1,433.33)
Check	EFT	12/29/2023	Sure Payroll	01-5001 · Wage - District Manager	\$ (1,833.33)
Check	EFT	12/29/2023	Sure Payroll	01-5001 · Wage - District Manager	\$ (66.67)
Check	EFT	12/29/2023	Sure Payroll	01-5002 · Wages - Operator	\$ (985.60)
Check	EFT	12/29/2023	Sure Payroll	01-5002 · Wages - Operator	\$ (985.60)
Check	EFT	12/29/2023	Sure Payroll	01-5003 · Employer Payroll Taxes	\$ (193.61)
Check	EFT	12/29/2023	Sure Payroll	01-5003 · Employer Payroll Taxes	\$ (247.98)
Check	EFT	12/29/2023	Sure Payroll	01-5003 · Employer Payroll Taxes	\$ (9.01)
Check	EFT	12/29/2023	Sure Payroll	2400 · Payroll Liabilities	\$ 1,340.66
Check	EFT	12/29/2023	Sure Payroll	2400 · Payroll Liabilities	\$ (1,340.66)
Check	EFT	12/29/2023	Sure Payroll	2401 · Payroll PERS Liability	\$ 200.00
Check		12/31/2023	1st Security Bank	01-6100 · Bank Service Charges	\$ (10.00)
Check	EFT	12/1/2023	OR State Treasurer	03-6751 · LGIP - Service Charge - Forest	\$ (0.05)
Check	2168	12/7/2023	Tevis Dooley	03-7800 · Business OR - ARPA	\$ (34.00)
Check	2171	12/7/2023	Jigsaw Consulting Services	03-7800 · Business OR - ARPA	\$ (500.00)
Check	2169	12/7/2023	Bayview Asphalt	03-7990 · Hollis Grant Fund Expenditures	\$ (11,719.56)

Check	2177	12/8/2023	Blair Henningsgarrad Attorney at Law	03-7805 · Legal Fees	\$	(480.00)
Check	2180	12/21/2023	Warrenton Fiber Company	03-6840 · Reimburs Grant Expense - Forest	\$	(19,930.00)
Check	2183	12/28/2023	Jigsaw Consulting Services	03-6840 · Reimburs Grant Expense - Forest	\$	(500.00)

**Audits: Implementing Board Oversight - Topic Description**  
**January 18, 2024**

Action / Information: Action

Background

The District is 2 years in arrears with our audits. We have not yet submitted FY22 (July 1, 2021 – June 30, 2022) or FY23 (July 1, 2022 – June 30, 2023).

FY23 is due to the Secretary of State by March 1, 2024

We need Board oversight to work with District staff, contractors and auditors to identify the issues and move this process along. Tom Mattia has agreed to represent both Districts in this regard.

**Board Objective - Action**

Motion:

“Designate Tom Mattia to work, as Board Representative, with District Staff, Contractor and Auditor to provide Board oversight in bringing the audits up to date”

**Calendar of Events - Topic Description  
January 18, 2024**

Action / Information: Information

Background

March – May is the busy time of the year for the Board. During that time, we approve a budget and do a performance review for the District Manager. And this year we will also have a Strategic Work Session and 2 Community Forums. Please book these dates into your calendars

**Board Objective – Information**      **Calendar of Upcoming Board-Related Events**

<b>Month</b>	<b>Day / Time</b>	<b>Event</b>	<b>Focus / Intent</b>
July	July 1 – March 1	Audit	Audit of previous fiscal year can start – to be delivered to Secretary of State in March
February	Feb 3rd 10 AM Zoom	Community Forum	State of the Districts – Utilities and Payment Strategy for Forest
	Feb 15 – March 15	Budget Committee Formation	Post notices for budget committee members by February 1 Reach out to community to get at least 5 members who will be willing to serve on both District’s budget committee by March 1
	February 15th	Board Meeting	
March	March 1 <sup>st</sup>	Audit Submission	Previous FY Audit to be submitted to Secretary or State
	March 2nd 10 AM Fire Station	Community Forum	State of the Districts – Utilities and Payment Strategy for Forest
	March 6 <sup>th</sup> 3:00 Zoom	Strategy Work Session	Evaluate need for additional staffing resources to be added to the Budget – Consider feedback from Community Forums
	March 21st	Board Meeting	Determine intent to put a local option levy on November 2024 Ballot
	March 26 <sup>th</sup> 4:00 Zoom	Budget Meeting In person with Zoom	1 <sup>st</sup> meeting - District Manager presents budget and first round of discussion
April	April 18 <sup>th</sup> 4:00 Zoom	Budget Meeting In person with Zoom	2 <sup>nd</sup> meeting – Refinement of Budget
	April 18 <sup>th</sup>	Board Meeting	Distribute forms for District Manager Performance Evaluation
May	May 1 <sup>st</sup> 4:00 Zoom	Joint Personnel Committee	Executive Session: Performance Evaluation and Merit Increase Recommendation of District Manager; Recommend COLA Amount for Both Staff.
	May 9 <sup>th</sup> 4:00 Zoom	Budget Meeting In person with Zoom	3 <sup>rd</sup> Meeting – Final refinement and approval of Budget
	May 16 <sup>th</sup>	Board Meeting	Approve Budget

## January 2024 Staff Report

### Major accomplishments:

#### Sanitary

1. Hauled the final loads of biosolids to the biosolid site. This was in addition to the haul you read about last month and our turnaround time was only four weeks between shoveling and hauling.
2. DEQ biosolids compliance requires us to send in a soil sample for nitrate analysis of the application beds at the biosolids site. In my almost 8 years here we have never done that. We completed the sample collection process from the application beds and sent it off to Oregon State University Soil Lab for analysis. Results will be sent to DEQ as well.
3. Tevis continues to make great progress on replacing the rotted siding on the buildings.
4. The new wasting pump that was installed and failed immediately was found to have been wired wrong from the manufacturer. Staff again removed the pump, sent it back and replaced it again when the new one arrived.
5. Deep cleaning (confined space entry, staff) of the two digester basins. Large project with many moving parts. Please feel free to inquire, however, I will deliver the message again next month with pictures available.

#### Water

1. The Cannon View Park contract to read meters and pay for services has been executed, signed by both parties and is now current. Our lawyers provided the contract with our input on desired inclusions and annual fees for services.
2. All of the water districts fire hydrants were flushed in the past month. District staff performed the exercise and found it to be a valuable and much needed task.
3. Ordered site survey from Charter / Century Link for internet to be brought into the water plant. Began investigating and collecting data for other internet options to be used at the water plant.
4. The project to deep clean and completely reorganize the water plant and bring it up to a

#### Water / Sanitary

1. We continue to make strides, both districts together in understanding and planning out the project management tool. Another joint session was held via zoom to further discuss projects, timelines, and some ideas on how to go about moving forward to complete safely the needs of both districts.

#### The unexpected

1. Century Link Internet stopped service, with no forewarning to the water plant. We received an email to call the service number and were advised it is effective as soon as the next outage occurs. This put us (the water district) in a squeeze as we rely on internet services to run the plant effectively and safely.

**Consulting Forester Procurement - Topic Description**  
**January 18, 2024**

Action / Information: Action

Background

The District is now in the process of procuring services for a Consulting Forester to continue the forestry consulting work that Ben (Springboard) has been doing and to do Roads Contract Management with Vinson Construction during roads construction. At the completion of the roads construction, the Consulting Forester will only provide Forestry Services as identified in the proposed amended Governance section of the Multi-Resource Management Plan

This person will be funded by ARPA through 2026.

8 Requests for Proposal (RFPs) were distributed and 3 responses were received. The response from Morgans Resource Management (MRM) is the recommendation by the Forest Management Committee.

***Next Steps:***

- Issue a ‘Notification of Intent to Award’ to Morgans Resource Management
- Authorize the President of the Board, working in concert with Springboard Forestry and legal counsel, to negotiate and sign a contract Morgans Resource Management X. A contract template has already been prepared by our legal counsel.

***Attached:*** Morgans Resource Management, Bid Packet, Contract Template

Board Objective - Action

Motion:

Issue an Intent to Award the Consulting Forester contract to Morgans Resource Management and Authorize the President of the Board to negotiate and sign a contract with Morgans Resource Management.



Morgans Resource Management

Cannon Beach, OR

# RFP RESPONSE

ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT  
SOLICITATION OF CONSULTING FORESTER

## ABSTRACT

Dedicated to the stewardship of forest resources and build infrastructure to benefit the owner and diverse array of associated stakeholders through the application of professional experience and knowledge.

MARK R MORGANS  
SAF Certified Forester



# Morgans Resource Management

MRM Forestry

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January 8, 2024

Arch Cape Domestic Water Supply District  
Attn: Mr. Bill Campbell  
32065 E. Shingle Mill Ln.  
Arch Cape, OR 97102

Dear Mr. Campbell:

Please accept this information package as my response to the Arch Cape Domestic Water Supply District's (District) solicitation for consulting forester services. I'm enthusiastic about this potential opportunity and believe you'll find my qualifications exceptional. I have over 37 years of experience as a Professional Forester including the past 24 years working with the forests in the same ecoregion as the Arch Cape watershed. I'm a resident of Cannon Beach and have a deep understanding of these forestlands, the forestry contractor workforce, and local communities. I have a well-established reputation for my commitment to sound forest resource stewardship and the communities where they exist.

In addition, this is a rare opportunity for the district, its rate payers as well as myself at this point in my professional career where I'm available and dedicated to this work. It would be my pleasure to apply my experience for the long-term benefit of the district's 1,453-acre forested drinking water source area and its associated infrastructure. The opportunity to instill my knowledge to the betterment of these resources and leave a positive legacy as a mentor to District staff and member of the regional community.

Please consider these specific qualifications for Morgans Resource Management (MRM):

**MRM's experience providing forest management and oversight for similar forestland.**

- A total of over 37 years as professional Forester in the PNW including 24 years working in Clatsop County Oregon. Performed and supervised technical silviculture, harvesting and roads projects and engagement with associated independent contractors. I also have considerable experience in developing long-term property management plans, budgetary needs and forecasted income & expenses.
- Provided staff oversight for staff ranging in size from 12-20 professionals. Collaborated on project identification, analysis, budgeting, implementation, and specification compliance. Provided mentoring and career development for staff. Established goals, measurable results, guidance & training, and assessed results against expectations. Provided recognition, advancement as achieved, and addressed opportunities for improvement.
- Participated as lead contact with senior level managers at local Oregon Department of Forestry and Oregon Department of Fish & Wildlife. Principal contact with community business and civic leaders and elected officials.

**MRM's experience in DWSA / community forest management and protection**

- I oversaw the successful management of a significant portion of the source water area for several of the major municipal systems in Clatsop County including Warrenton, and the upper reaches for both Seaside & Cannon Beach watersheds. Implemented special voluntary protection constraints when working within these areas to help limit potential exposure to surface water and diversion points.
- Actively sought and participated in education and engagement opportunities regarding source water protection. This would include meetings and field tours with Northwest Community Forest Coalition, participation in the Governor's Oregon Water Initiative, and OWEB watershed councils. I lead the formation of the Jetty Creek Working Group in Rockaway Beach to support efforts to protect domestic source water and assess opportunities for conservation easements or acquisition to provide protection into perpetuity.

- I have a strong record and reputation of productive collaborations with groups such as The Nature Conservancy, North Coast Land Conservancy, Columbia Land Trust and Sustainable Northwest. Collaborated with several of these organizations beginning in 2021 to establish a conservation easement covering over 2000 acres at Clatsop Ridge adjacent to the Fort Clatsop National Memorial.

### **MRM's background overseeing road maintenance and decommissioning**

- I have managed multi-million-dollar road maintenance and decommissioning budgets, the associated field staff, and contractors for implementation. I had overall responsibilities to review and approve project management plans, 3<sup>rd</sup> party contract approvals and assess the completed project against plan goals and outcome expectations. This would include both landowner self-funded projects and collaborations with watershed councils & Oregon Watershed Enhancement Board grants.
- I have a strong and productive working relationship with the forest sector contracting base in NW Oregon & SW Washington. I'm known for being fair but firm about establishing performance expectations, establishing the metrics for success, measuring the results, and acknowledging accomplishments. I'm also clear and hold accountable when there are needs for improvement and follow through to a successful conclusion. Building relationships that are based on mutual respect, integrity, and accountability. I also hold myself and all forest workers to a high safety standard and will not tolerate divergence from OSHA standards and industry safety BMP's.
- I also have a strong and productive working relationship with the forest sector regulatory agencies in NW Oregon & SW Washington. The foundation is in my deep understanding of the Oregon Forest Practices Act (FPA) and its recent revision through the Private Forest Accord (PFA) process and resulting legislation. I have a good working relationship with the Oregon Department of Forestry Stewardship Foresters that oversees compliance with the FPA and PFA revisions. I believe it's important to engage with the ODF representatives early in project development and maintain open communications throughout the project, including completion signoff.

## Proximity

- I live and have a home office in the Tollovana area of Cannon Beach. I'll therefore have a short travel time to the Arch Cape Forest and the District's office. I'll also be available to respond to needs that arise quickly such as a contractor's active project compliance question or needs for emergency response/assessments. I'll also be available to engage with mentoring of the district staff to support their development and forest resource management competencies.
- I'm well known in the Arch Cape-Cannon Beach community, having resided here the past 24 years and no intention of relocating. I believe my reputation for integrity, ethical behavior, and passion for the sound management of forest resources is well established. I'm already a member of the community with existing relationships and always interested in sharing my expertise in forestry. Also, being receptive and respectful of diverse points of view.

## Cost

- Please see attached 2024 rate sheet. Service will be on an hourly basis, mileage is based on round trip from Tollovana office, and reimbursement for approved associated expenses.
- The total project cost will be the delivery of service as required for project implementation and as requested for general advising.

## Additional information

- Insurance
  - Consulting Forester: \$1 million, \$2 million aggregate.
  - Auto: \$1 million.
  - General Liability \$1 million, \$3 million umbrella.
- SAM's registry: Morgans Resource Management Unique Entity ID: U9FLM1GT47W6
- City of Cannon Beach Business License #102702
- Society of American Foresters (SAF)
  - Certified Forester® # 2176.
  - SAF member #12731, initiated 1984.

- Recipient of the 2018 Oregon SAF “Forester of the Year” award.
  - Recipient of the 2020 National SAF “Presidential Field Forester Award”.
- Oregon Department of Fish & Wildlife and Oregon Department of Forestry
  - Recipient of the 2019 “Fish & Wildlife Steward Award- Forest Lands”
- Community Engagement
  - Cannon Beach Rural Fire Protection District 1999-2017. Retired
    - Fire Officer, EMT-I, Rescue Technician, Board Member.
  - Cannon Beach Public Works Committee (term expired)
  - Ecola Creek Watershed Council (active as available)
  - Clatsop Economic Development Council Board (Term expired)

## References

- Clark Binkley PhD. Part-time resident of Arch Cape. Retired Yale professor and timberland management and investment executive. 617-816-4902, [Csbinkley@comcast.net](mailto:Csbinkley@comcast.net)
- Dan Goody. Oregon Department of Forestry- Astoria District Manager. 503-325-2683 or 503-325-5451, [Dan.B.Goody@oregon.gov](mailto:Dan.B.Goody@oregon.gov)

Thank you for this special opportunity to provide forestry consulting services to the Arch Cape Domestic Water Supply District, the residence within and the nature resources upon your timberlands. I look forwards to working with you, the district employees and community stakeholders.

Please let me know if you have any additional questions.

Sincerely,

Mark R. Morgans, CF

PO Box 1126  
Cannon Beach, OR 97110  
503-738-2435  
[mrmforestry@gmail.com](mailto:mrmforestry@gmail.com)

From: "Mark R. Morgans" <mrmforestry@gmail.com>  
Subject: Re: Response to: Arch Cape Domestic Water Supply District  
Solicitation of Consulting Forester  
Date: January 9, 2024 at 1:41:34 PM PST  
To: Bill Campbell <billcampbellacutil@gmail.com>

Thank you for the question presented below and please accept this as my official response. It's challenging to answer having not seen the projects on the ground and not knowing the productivity of the construction contractor. I'll submit the following estimate based on my review of the Ecological Road Assessment and assuming an industry standard for regional contractors' competencies since my time commitment will be dependent on their efficiency and workmanship. Therefore, these values are estimates only and will fluctuate based on construction productivity and/or currently unforeseen challenges. The District will recognize a significant savings due to my own professional efficiencies and proximity to the job site.

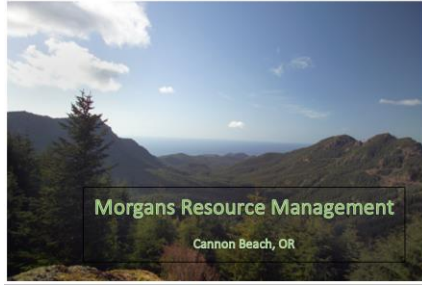
**Estimated total costs for Morgans Resource Management.**

Specific Project (1-5) implementation:	\$42,000
Road Decommissioning:	\$22,000
<u>Focused Staff training &amp; Planning:</u>	<u>\$15,000</u>
<b>Total Project Estimated Cost:</b>	<b>\$79,000</b>

Thank you for the opportunity to provide this additional information.

Mark R Morgans

**From:** Bill Campbell <billcampbellacutil@gmail.com>  
**Sent:** Tuesday, January 9, 2024 11:34 AM  
**To:** Mark R. Morgans <mrmforestry@gmail.com>  
**Subject:** Re: Response to: Arch Cape Domestic Water Supply



Mark R. Morgans | PO Box 1126 Cannon Beach, OR 97110 | 503-738-2435 | mrmforestry@gmail.com

## Morgans Resource Management 2024 Services Rate Sheet

### COMPENSATION:

Compensation will be determined based on time and expenses in accordance with the following schedule of charges.

Certified Forester                      \$145/hour

Security/Forest Patrol                \$50/hour

Other services as negotiated.

Contracted professional and technical services will be charged at the applicable hourly rates listed above. Time spent on travel when is in the interest of this contract, will be charged in accordance with the foregoing schedule. Rates apply from office to office in Cannon Beach, OR.

### REIMBURSEMENTS:

Mileage                                      \$0.75/mile

Supplies & Expense                      Actual receipts + 15%

Business travel                            Actual receipts + 15%

Rates are subject to change upon notification.

# Mark R Morgans

mrmforestry@gmail.com

15037382435

[linkedin.com/in/mark-r-morgans-cf-6a97b645](https://www.linkedin.com/in/mark-r-morgans-cf-6a97b645)

## Summary

Mark R. Morgans has over 37 years' experience in natural resource stewardship, forest operations management and forest products marketing. He also brings an extensive background in forest acquisition operational onboarding and integration. He brings experience in managing strategic property divestitures and accretive value enhancements. Mark has a strong background in intensive forest management and silviculture prescription implementation. Also, timber harvest operations compliance and managing direct log marketing with both export and domestic sales. He has experience in managing land use related activities and accretive projects such as site leases (towers & rock pits), license agreements, and conservation easements. Prior to joining GreenWood/ Nuveen in 2015, he was an Area Manager for Campbell Global, Planning Forester for Weyerhaeuser and Area Manager, Logging Supervisor and Resident Forester for Willamette Industries. Mark received his degree in Forest Management from Oregon State University. Mark is a Society of American Foresters Certified Forester.

## Experience

### Managing Director US Forest Operations

Nuveen Natural Capital

Jan 2022 - Dec 2023 (2 years)



### Director, North American Forest Operations

GreenWood Resources, Inc

Jul 2020 - Dec 2021 (1 year 6 months)



### PNW Area Manager

GreenWood Resources, Inc

Jul 2015 - Jun 2020 (5 years)



### Area Manager

Campbell Global

Aug 2009 - Jun 2015 (5 years 11 months)

Describe your position



### Planning Forester

Weyerhaeuser

Mar 2002 - Aug 2009 (7 years 6 months)

### Forester/Area Manager

Willamette Industries, Inc

Jun 1986 - Feb 2002 (15 years 9 months)



## Education



**Oregon State University**

BS, Forest Management

1982 - 1986

## Licenses & Certifications



**Certified Forester (CF)** - Society of American Foresters

## Skills

Forestry • Budgets • Strategic Planning • Timber • Negotiation • Operations Management • Natural Resources • Natural Resource Management • Forecasting • Management

## Honors & Awards

**Forester of the Year** - Oregon Society of American Foresters

2018

**ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT  
CONTRACT FOR CONSULTING FORESTER SERVICES**

This Contract made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2023 by and between the Arch Cape Domestic Water Supply District, an Oregon Special District hereinafter called "DISTRICT", and \_\_\_\_\_ hereinafter called "CONTRACTOR", duly authorized to perform such services in Oregon.

**WHEREAS**, the DISTRICT requires services which CONTRACTOR can provide, under the terms and conditions hereinafter described; and

**WHEREAS**, CONTRACTOR is able and prepared to provide such services as DISTRICT does hereinafter require, under those terms and conditions set forth; now, therefore,

**IN CONSIDERATION** of those mutual promises and the terms and conditions set forth hereafter, the parties agree as follows:

1. CONTRACTOR SERVICES

- A. CONTRACTOR shall perform consulting forestry and road contract management services as outlined in the Attachment A, for the DISTRICT.
- B. CONTRACTOR'S services are defined solely by this Contract and its attachment and not by any other contract or agreement that may be associated with this project.
- C. The CONTRACTOR'S services shall be performed as expeditiously as is consistent with professional skill and the orderly progress of work. All work shall be completed no later than December 31, 2025

2. COMPENSATION

- A. The DISTRICT agrees to pay CONTRACTOR a total not to exceed \$\_\_\_\_\_ price for performance of those services provided herein;
- B. The CONTRACTOR will submit monthly billings for payment which will be based upon time and materials for the work completed in each of the categories listed in the scope of work. Said progress billings shall be payable within 60 days of receipt by DISTRICT.
- C. DISTRICT certifies that sufficient funds are available and authorized for expenditure to finance costs of this Contract.

3. CONTRACTOR IDENTIFICATION

CONTRACTOR shall furnish to the DISTRICT the CONTRACTOR'S employer identification number, as designated by the Internal Revenue Service, or CONTRACTOR'S Social Security number, as DISTRICT deems applicable.

4. DISTRICT'S REPRESENTATIVE

For purposes hereof, the DISTRICT'S authorized representative will be Bill Campbell, President Board of Director or his designated representative.

5. CONTRACTOR'S REPRESENTATIVE

For purposes hereof, the CONTRACTOR'S authorized representative will be

\_\_\_\_\_

6. DISTRICT'S OBLIGATIONS

DISTRICT shall furnish CONTRACTOR access to all relevant maps, aerial photographs, reports and site information in DISTRICT'S possession concerning the project area and act as liaison for CONTRACTOR, assisting with making contacts and facilitating meetings with appropriate DISTRICT staff or personnel, as necessary.

7. CONTRACTOR IS INDEPENDENT CONTRACTOR

A. CONTRACTOR'S services shall be provided under the general supervision of DISTRICT'S Board President or his/her designee, but CONTRACTOR shall be an independent CONTRACTOR for all purposes and shall be entitled to no compensation other than the compensation provided for under Section 2 of this Contract,

B. CONTRACTOR acknowledges that for all purposes related to this Contract, CONTRACTOR is and shall be deemed to be an independent CONTRACTOR and not an employee of the DISTRICT, shall not be entitled to benefits of any kind to which an employee of the DISTRICT is entitled and shall be solely responsible for all payments and taxes required by law; and furthermore in the event that CONTRACTOR is found by a court of law or an administrative agency to be an employee of the DISTRICT for any purpose, DISTRICT shall be entitled to offset compensation due, or, to demand repayment of any amounts paid to CONTRACTOR under the terms of the Contract, to the full extent of any benefits or other remuneration CONTRACTOR receives (from DISTRICT or third party) as result of said finding and to the full extent of any payments that DISTRICT is required to make (to CONTRACTOR or a third party) as a result of said finding.

C. The undersigned CONTRACTOR hereby represents that no employee of the DISTRICT, or any partnership or corporation in which a DISTRICT employee has an interest, has or will receive any remuneration of any description from the CONTRACTOR, either directly or indirectly, in connection with the letting or performance of this Contract, except as specifically declared in writing.

8. CANCELLATION FOR CAUSE

DISTRICT may cancel this Contract if CONTRACTOR breaches any term herein and fails to cure such breach within 10 days after receiving notice thereof. Damages for breach shall be those allowed by Oregon law, reasonable and necessary attorney's fees, and other costs of litigation at trial and upon appeal. CONTRACTOR may likewise cancel all or any part of this contract if DISTRICT breaches any of the terms herein and be therefore entitled to equivalent damages as expressed above for DISTRICT.

9. ACCESS TO RECORDS

DISTRICT shall have access to such books, documents, papers, and records of CONTRACTOR as are directly pertinent to this contract for the purposes of making audit, examination, excerpts and transcripts.

10. FORCE MAJEURE

Neither DISTRICT nor CONTRACTOR shall be considered in default because of any delays in completion of responsibilities hereunder due to causes beyond the control and without fault or negligence provided the party shall within ten (10) days from such event notify the other party in writing of the causes of delay and its probable extent. Such notification shall not be the basis for a claim for additional compensation.

11. NONWAIVER

The failure of the DISTRICT to insist upon or enforce strict performance of any term of this Contract or to exercise any right hereunder shall not be construed as a waiver or relinquishment of its right to assert or rely upon such terms or rights on any future occasion.

12. ATTORNEY'S FEES

In the event suit or action is instituted to enforce or interpret this contract, the prevailing party shall be entitled to an award of reasonable attorney's fees at trial or on appeal.

13. APPLICABLE LAW

The law of the State of Oregon shall govern the validity of this Agreement, its interpretation and performance, and any other claims related to it.

14. CONFLICT BETWEEN TERMS

Should there be any conflict between this instrument and any proposal of CONTRACTOR, this instrument shall control.

15. INDEMNIFICATION

CONTRACTOR agrees to indemnify and hold harmless the DISTRICT, its Officers, agents and employees against all loss, claims, actions, suits, reasonable defense costs, attorney fees and expenses for injury, bodily or otherwise to, or death, damage to or destruction of property belonging to DISTRICT, CONTRACTOR, or others arising out of CONTRACTOR'S negligent errors, or omissions in services pursuant to this Agreement. This agreement to indemnify applies whether such claims are meritorious or not; provided, that if any liability results from the concurrent negligence of CONTRACTOR and DISTRICT indemnification applies only to the extent of the negligence or alleged negligence of the CONTRACTOR.

16. INSURANCE

- A. Prior to starting work hereunder, CONTRACTOR shall obtain and maintain the following insurance: \$1,000,000 Commercial General Liability, \$1,000,000 Automobile Liability, \$1,000,000 Consulting Foresters Liability and \$1,000,000 excess or umbrella policy. DISTRICT will be listed as an "Additional Insured" on each policy. Such insurance shall provide a waiver of subrogation in favor of DISTRICT. Coverage shall include CONTRACTOR, Sub-contractors, and anyone directly or indirectly employed by either. The comprehensive general liability shall be combined single limit for broad form liability property damage and bodily injury. A copy of an insurance certificate in form satisfactory to DISTRICT certifying the issuance of such insurance shall be furnished to DISTRICT.
- B. Additional Insured. The liability insurance coverage shall include DISTRICT and its officers and employees as Additional Insured but only with respect to CONTRACTOR'S activities to be performed under this Contract. Coverage will be primary and non-contributory with any other insurance and self-insurance. Prior to starting work under this Contract, CONTRACTOR shall furnish a certificate to DISTRICT from each insurance company providing insurance showing that the DISTRICT is an additional insured, the required coverage is in force, stating policy numbers, dates of expiration and limits of liability, and further stating that such coverage is primary and not contributory.
- C. Notice of Cancellation or Change. There will be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverages without thirty (30) days written notice from CONTRACTOR or its insurers to DISTRICT. Any failure to comply with the reporting provisions of this clause will constitute a material breach of this Contract and will be grounds for immediate termination of this Agreement.

17. Prevailing Wage. Contractor shall comply and require that any subcontractors comply with ORS 279C.838 or ORS 279C.840 or 40 USC3141 , *et seq*, if the contract is subject to state or federal prevailing wage laws.

18. WORKMEN'S COMPENSATION.

The CONTRACTOR, its subcontractors, if any, and all employers working under this Agreement are either subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers or are employers that are exempt under ORS 656.126.

19. LABORERS AND MATERIALMEN, CONTRIBUTIONS TO INDUSTRIAL ACCIDENT FUND, LIENS AND WITHHOLDING TAXES

A. CONTRACTOR shall make payment promptly, as due, to all persons supplying CONTRACTOR labor or material for the prosecution of the work provided for this contract.

B. CONTRACTOR shall pay all contributions or amounts due the Industrial Accident Fund from CONTRACTOR or any subcontractors incurred in the performance of the contract.

C. CONTRACTOR shall not permit any lien or claim to be filed or prosecuted against the state, county, school district, municipality, municipal corporation, or subdivision thereof, on account of any labor or material furnished.

D. CONTRACTOR shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

20. PAYMENT OF MEDICAL CARE

CONTRACTOR shall promptly, as due, make payment to any person, partnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury to the employees of such CONTRACTOR, of all sums which the CONTRACTOR agrees to pay for such services and all moneys and sums which the CONTRACTOR collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.

21. OVERTIME

Employees shall be paid for overtime work performed under this contract in accordance with ORS 653.010 to 653.261 and Fair Labor Standards Act of 1938 (29 U.S.C. Sections 201 to 209).

22. USE OF DRAWINGS AND OTHER DOCUMENTS

DISTRICT may retain all drawings and other documents prepared by CONTRACTOR for the project after payment to CONTRACTOR.

23. STANDARD OF CARE

The standard of care applicable to CONTRACTOR's services will be the degree of skill and diligence normally employed by those performing the same or similar services at the time CONTRACTOR'S services are performed. CONTRACTOR will re-perform any services not meeting this standard without additional compensation.

24. NO THIRD PARTY BENEFICIARIES

This contract gives no rights or benefits to anyone other than the DISTRICT and CONTRACTOR and has no third party beneficiaries.

25. ASSIGNMENT OF CONTRACT AND SUBCONTRACTING.

CONTRACTOR shall not assign, sell, or transfer rights, or delegate responsibilities under this Contract, in whole or in part, without the prior consent of DISTRICT. DISTRICT will consent only when assignment is consistent with DISTRICT'S fiduciary duties. No such written approval shall relieve CONTRACTOR of any obligations under this Contract, and any transferee shall be considered the agent of the CONTRACTOR and bound to perform in accordance with the Contract. CONTRACTOR shall remain liable as between the original

parties to the Contract as if no assignment had occurred. CONTRACTOR acknowledges and agrees that if CONTRACTOR subcontracts all or any part of the operations, such subcontracting shall in no way relieve CONTRACTOR of any responsibility under this Contract. CONTRACTOR shall notify DISTRICT in writing of the names and addresses of each subcontractor prior to the commencement of any contract work by the subcontractor.

26. SEVERABILITY AND SURVIVAL

If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability shall survive termination of this Agreement for any cause.

27. COMPLETE CONTRACT

This Contract and its referenced attachments constitute the complete contract between DISTRICT and CONTRACTOR and supersedes all prior written or oral discussions or agreements. CONTRACTOR services are defined solely by this Contract and its attachments and not by any other contract or agreement that may be associated with this Contract.

**ARPA FUNDING REQUIRED CONTRACT CLAUSES**

28. CONTRACTOR MUST BE REGISTERED IN SAM.GOV

CONTRACTOR shall register in the System for Award Management (SAM), which is the primary registrant database for the U.S. Federal Government and shall update the information at least annually after the initial registration and maintain its status in the SAM through the Term of this Agreement. Information regarding the process to register in the SAM can be obtained at Sam.gov

29. WHISTLEBLOWER

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

30. INSPECTIONS; INFORMATION

CONTRACTOR shall permit, and cause its subcontractors to allow the State of Oregon, the federal government and any party designated by them to:

- A. Examine, visit, and inspect, at any and all reasonable times, the property, if any, constituting the Project.
- B. Inspect and make copies of any accounts, books, and records, including, without limitation, its records regarding receipts, disbursement, contracts, and any other matters relating to the Project, and to its financial standing, and shall supply such reports and information as reasonably requested.
- C. Interview any officer or employee of CONTRACTOR, or its subcontractors, regarding the Project.

31. EQUAL OPPORTUNITY

CONTRACTOR shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60).

32. COPELAND "ANTI-KICKBACK" ACT

CONTRACTOR shall comply with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited

from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

33. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

34. PROHIBITION ON PURCHASING TELECOMMUNICATIONS OR SURVEILLANCE EQUIPMENT, SERVICES, OR SYSTEMS

As required by 2 CFR 200.216, federal grant or loan recipients and subrecipients are prohibited from obligating or expending loan or grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment, video surveillance services or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities). Prohibitions extend to the use of Federal funds by recipients and subrecipients to enter into a contract with an entity that "uses any equipment, system, or service that uses covered telecommunications equipment or services" as a substantial or essential component of any system, or as critical technology as part of any system. Certain equipment, systems, or services, including equipment, systems, or services produced or provided by entities subject to the prohibition are recorded in the System for Award Management exclusion list.

35. PREFERENCE FOR UNITED STATES MADE GOODS

As appropriate and to the extent consistent with law, the contractor should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. For purposes of this section:

- A. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- B. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

36. PROCUREMENT OF RECOVERED MATERIALS OVER \$10,000

CONTRACTOR must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource

recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

37. TERMINATION FOR CAUSE AND FOR CONVENIENCE

CONTRACTOR shall address termination for cause and for convenience, including the manner by which it will be affected and the basis for settlement. Contract Owner shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. The Contract Owner shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

38. CERTIFICATION FORM LOCATED IN APPENDIX 1. BYRD ANTI-LOBBYING AMENDMENT (31 U.S.C. 1352)

Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

39. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The Contract Work Hours and Safety Standards Act requires all contractors—prime and sub—to pay laborers and mechanics performing on a federal service contract and federal and federally assisted construction contract over \$100,000, 1.5 times their basic rate of pay for all hours worked over 40 in a workweek. Employers are liable to employees for these unpaid wages. The failure of CONTRACTOR to comply with this Act may also result in liability under the False Claims Act. Employees who are due unpaid wages under the Contract Work Hours and Safety Standards Act may file a complaint with the Wage and Hour Division within the U.S. Department of Labor. The DOL may then enforce the provisions of the Act against violators.

40. CLEAN AIR ACT, CLEAN WATER ACT AND EPA

CONTRACTOR shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

41. BREACH OF CONTRACT TERMS

Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. Upon any breach of this Agreement by CONTRACTOR, the DISTRICT shall have all remedies available to it both in equity and/or at law.

The parties hereto have executed this agreement the day and year first written above.

ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT  
an Oregon Special District

BY: \_\_\_\_\_  
W.E. Campbell III, Board Chair Date



BY: \_\_\_\_\_  
CONTRACTOR Date

### **Certification Regarding Lobbying**

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

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

Signed : \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## **ATTACHMENT 1 – ACDWSD CONSULTING FORESTER SCOPE OF WORK**

### **PROJECT LOCATION**

The project area is located behind locked gates on the Hug Point Mainline and associated spur roads. The project area is located SE of Cannon Beach, OR, directly to the east of the community of Arch Cape. The subject property is a 1453-acre forest, which is owned to protect the Arch Cape Domestic Water Supply District Drinking Water Source Area. The property is managed for the primary objective of protecting source water quality and quantity.

### **PROJECT DESCRIPTION**

The Arch Cape Domestic Water Supply District (the District) is seeking the services of a consulting forester to provide management and oversight of the Arch Cape Forest. The period of this contract (2024-2026) is focused on completing a series of federally funded road decommissioning and maintenance projects, as well as general management and property oversight.

The District has identified 5 priority road maintenance / major decommissioning projects, as well as an additional 5.6 miles of road decommissioning (pages 118 – 135 of [Ecological Roads Assessment](#)). The consultant will work with the outgoing forester to take over management of these projects. The consultant will have primary responsibility for overseeing and managing project work once successfully contracted. The consultant will also have primary responsibility for notifications with the Oregon Department of Forestry and Oregon Department of Fish and Wildlife (notification are to be submitted by the outgoing forester) The work is planned for the summer 2024 and 2025 in-water work period but will begin as early as March 2024, and may extend into 2026.

The forester will also serve two additional roles – supporting the planning efforts of the District board, supporting the district staff as they take on property management responsibilities. In addition, the consultant will work with the Arch Cape Forest Management Committee, Arch Cape Water District Board of Directors, and District Staff, to provide documentation, updates, and other deliverables required for funders and project partners. The consultant will not have responsibility for basic property management capacities such as key checkout / logs, fire response / coordination, or recreational access management.

### **CONTRACTOR REQUIREMENTS**

Primary consultant tasks will include:

1. Work with staff, contractors and other partners to protect source water during all project stages
2. Provide forestry topic area expertise to the District board and District Manager. This may include but is not limited to:
  - Development of forest management policies and procedures
  - Plan and supervise forestry projects within the Arch Cape Forest. These tasks may include stand exams, reforestation, stocking surveys, pre-commercial thinning, and recommendations for additional stewardship activities. Analyze effect of stand

- conditions on tree growth rates, forest health, and overall impact of forest stand dynamics on source water protection.
- Support Property Manager, as requested, in hiring, monitoring and firing contractors for all stewardship related work including tree planting, vegetation control, pre-commercial thinning, and road maintenance.
  - If/as requested, plan and implement projects for conservation of wildlife habitats and soil and water quality.
  - Monitor roads and culverts and recommend maintenance if/as required.
  - Consider/address question and issue that arise related to the management, access to, or stewardship of the forestland and road system.
  - Assist with compliance visits from regulatory and / or funding agencies, and coordination with Oregon Department of Forestry and other agencies on necessary permits or notifications.
  - Assist in the annual budgeting process for a one-year budget, one-year operations plan and updates to the long-range plan.
  - As directed, undertake specific projects related to the stewardship of the forest and road system.
3. Support District staff in property management tasks. These tasks could include, but are not limited to:
    - Recommend / respond to questions from district staff about forest closure.
    - Create and / or update short- and long-term plans for operations / management of forest lands and forest resources including adherence to applicable regulations. Manage adherence to these plans. Make recommendations if/as appropriate.
  4. Monitor contractors for compliance with project design, scope of work, and contract requirements.
  5. Serve as the Arch Cape Domestic Water Supply District point person for all contractors and sub-contractors working on road projects and decommissioning.
  6. Serve as the District point person for regulatory compliance, including ODF and ODFW. This includes responsibility for NOAPs and PDMs.
  7. Provide written sign-off on projects as they are completed to specification.

Consultant must be prepared to work independently and provide all necessary tools, equipment, vehicle, and other materials necessary to complete the above scope of work. In addition, contractor may not have a financial interest or other conflict of interest that could affect the hiring or management of project contractors.

## **OTHER CONDITIONS**

**EXPIRATION DATE:** December 31, 2025

**INSURANCE:** \$1,000,000 Commercial General Liability, \$1,000,000 Automobile Liability, \$1,000,000 Consulting Foresters Liability and \$1,000,000 excess or umbrella policy

**OTHER REQUIREMENTS:** Bidder to provide SAMS registration.

**PAYMENT:** Arch Cape Domestic Water Supply District to provide payment on 60-day terms with monthly or bi-monthly invoicing.

**Amended Governance Section for Public Comment - Topic Description  
January 18, 2024**

Action / Information: Information

Background

Per our contract with Oregon Department of Forestry(ODF), we are required to have and to maintain a Multi Resource Management Plan ([which is posted on the District's website.](#)). The Muti-Resource Management Plan (the Plan) was designed and developed as a “living” document to be updated as necessary or every five years, whichever comes first.

In July, the Board reconstituted the Forest Management Committee (FMC) and constituted a Finance Committee as a subgroup of the FMC. The Board tasked the Finance Committee with the development of:

- 1) A Recommended operations and financial planning process, building upon the work done in August 2021 (Completed)
- 2) A Recommended operations management model (integrated in the proposed Amendment)
- 3) A Recommend governance model that is aligned with the management model (integrated in the proposed Amendment)

Based upon what is currently known about the Forest and what needs to be done from the operations and financial planning process, the Finance Committee recommends that the current Governance section of the Plan (pg 17-18) be replaced in its entirety with the attached proposed Amendment.

Next steps:

- 1) Post proposed Amendment for Public comment from January 19 through February 2
- 2) Hold a Public Hearing on the Amendment at the February 15<sup>th</sup> Board Meeting
- 3) Revise / Confirm the Amendment to the Multi-Resource Management Plan at the February 15<sup>th</sup> Board Meeting
- 4) Submit the Amendment to ODF the next time that the Plan is formally submitted to them for review

**Board Objective - Information**

The Amendment will be posted for Public Comment

## **Multi-Resource Management Plan – Proposed Amendment**

### **Governance section**

\*\*\* The Multi-Resource Management Plan (the Plan) was designed and developed as a “living” document to be updated as necessary or every five years, whichever comes first.

The below would replace, in its entirety, the current Governance section (pages 17-18) of the [Multi-Resource Management Plan](#). It enhances the current Plan by providing specificity based upon detailed assessment and current working knowledge of operations needs \*\*\*

The Water District Board of Directors (“Board”) holds ultimate management and decision-making responsibility for the Arch Cape Forest. The Board has financial responsibility for the Arch Cape Forest Operating Budget.

The Arch Cape Forest will be established as a separate, distinct business unit. As such, the Arch Cape Forest will maintain separate financial controls and reporting. These will include business unit specific long-range operating & financial plans, annual budgets, bank accounts, and financial reporting (e.g., balance sheet, income statement, and cash flow statement). Both Arch Cape Forest and the existing Water business units will report to the Board. Both business units will follow Board approved policies in accordance with State of Oregon law & Special District guidelines.

If/as necessary, the Board may constitute a Forest Management Committee and/or Finance Committee. The scope, qualifications, roles and responsibilities of those committees will be set by Board resolution. The Board may also assign roles and responsibilities for Property Management, Consulting Forestry and other functions as required.

In July 2023, the Board, via Resolution, constituted a Forest Management Committee and a Finance Committee, as a working group within the Forest Management Committee. The Board tasked the Finance Committee with the development of:

- 1) A Recommended operations and financial planning process, building upon the work done in August 2021
- 2) A Recommended operations management model (integrated below)
- 3) A Recommended governance model that is aligned with the management model (integrated below)

#### **A. Operational Phases**

There are two distinct operational phases for the Arch Cape Forest

##### ***1) Infrastructure Improvement Phase***

This phase started in June 2022, when the Forest was purchased, and will continue through August 2026.

This phase is currently being managed by the President of the Water Board in conjunction with the Consulting Forester and with the Forest Management Committee acting in an Advisory capacity. District staff is providing 24x7 timely response activities.

Infrastructure Improvement related Activities in this phase are:

- Project Mgmt. (ARPA)
- Funding Mgmt. & Compliance (ARPA, ODF, DEQ, Hollis)
- Procurement & Contracting
- Pre-Commercial Thinning
- Roads Construction
- Policy & Procedures Development

Ongoing Operations & Management Activities in this phase are:

- Property Management
- Operations Planning and Financial Management
- Forestry (as necessary)

**2) Ongoing Management and Operations Phase**

This phase will begin in September 2026

The current vision for this phase is that management duties will be filled primarily by the District Manager (overseeing the Forest Property Management function) in conjunction with the Consulting Forester. An advisory role for a Forest Management Committee is not anticipated. However, if there is a clear need and interest by members of the community with experience in forestry and business, a committee could be a resource to the District Manager.

It is anticipated that the District Manager will have management responsibility for the Utilities and for the Forest. Additional District Staff will need to be added or some of the forest property management responsibilities or that function will need to be contracted.

Ongoing Operations & Management Activities are:

- Property Management
- Operations Planning & Financial Management
- Funding Management & Compliance (ODF & potentially others)
- Forestry
- Roads Maintenance
- Logging (potentially)

**B. Management Roles**

The table below identifies the roles played by different people / committees to accomplish the set of activities.

*Intent:* Over time, the role played by the Board & the Forest Management Committee will be transitioned to the District Manager.

<b>ACTIVITIES</b>	<b>Improvement Phase</b>		<b>Ongoing Phase Management</b>
	<b>Management</b>	<b>Advisory</b>	

	Role	Role	Role
• Project Mgmt. (ARPA)	Board, Forester	FMC	
• Funding Mgmt. & Compliance (ARPA, ODF, DEQ, Hollis)	Board		
• Procurement & Contracting	Board, Forester	FMC	District Mgr. , Forester
• Pre-Commercial Thinning	Forester - Done		
• Oversight - Roads Construction / Maintenance	Forester		Forester, District Mgr.
• Policy & Procedure Development	Board, Forester	FMC	
• Property Management – Timely Response	District Mgr.		District Mgr.
• Operations Planning & Financial Mgmt.	Board, Forester		District Mgr., Forester, Budget Com.
• Funding Management & Compliance (ODF, Other?)			District Mgt.
• Forestry (as necessary)	Forester		Forester

Legend:

The person listed first in the above table is the primary responsible person

- Board – President of Water District Board
- Forester – Consulting Forester / Roads Contract Manager
- FMC – Forest Management Committee
- District Mgr. – District Manager
- Budget Com – Budget Committee

C. **Management Responsibilities:**

- Phase I - Scope of work for the Consulting Forester / Roads Contract Manager is defined by contract and is contained in the contracts with the respective contractors.
- Phase II – Forest Property Management functional responsibilities below
- Phase II – Consulting Forestry functional responsibilities below



## **Forest Property Management – Phase II**

(assumes this function is / will be the responsibility of District Manager)

### **Report to: President, Water District Board**

#### **1) Operations – Timely Response**

- a. Work with consulting forester, as necessary, to address unexpected issues with the property, e.g., downed trees on forest access roads.
- b. Be the emergency point of contact for fire response and contractors working in the Forest.
- c. Manage the keys to the Watershed gates. Monitor who is on the property, including but not limited to contractors.
- d. Determine, in conjunction with the consulting Forester, when the Watershed property should be closed.
- e. Periodically patrol the property in accordance with District Policy on enforcement.
- f. Respond to questions about the property from the public.

#### **2) Operations & Finance Management**

- a. Working with the Budget Committee and Consulting Forester, recommended a one-year budget, one-year operations plan and updates to the long-range plan.
- b. Monitor financial compliance with the annual budget (working with book keeper / accountant). Monitor annual operations plan (working with Consulting Forester) Report to the Board of Director on status of budget and operations and any Committees as directed by the Board of Directors.
- c. Work with Consulting Forester to ensure compliance with Oregon Department of Forestry contractual obligations and other regulatory and funding agencies.
- d. Oversee updates to the Multi-Resource Management Plan on a 5-year basis.
- e. Work with bordering property owners to coordinate activities and to identify, address and resolve issues.
- f. Research grant opportunities and apply for grants.

#### **3) Contractor Management**

- a. Work with Consulting Forester to plan projects in the operations plan and procure / contract contractor(s) in a manner consistent with District policy.
- b. Work with Consulting Forester to undertake contract implementation and supervision.
- c. Maintain all contractor records and work with admin staff to ensure payment consistent with contracts

Legend: Yellow highlight – currently done by District Staff

## **Consulting Forestry – Phase II**

Not logging related

### **Report to: District Manager**

#### **1) Consultation**

- a. Recommend / respond to questions District staff (person performing the property management function) about forest closures.
- b. Consider/address question and issue that arise related to the management, access to, or stewardship of the forestland and road system.
- c. Assist with compliance visits from regulatory and / or funding agencies, and coordination with Oregon Department of Forestry and other agencies on necessary permits or notifications.
- d. Assist in the annual budgeting process for a one-year budget, one-year operations plan and updates to the long-range plan.
- e. As directed, undertake specific projects related to the stewardship of the forest and road system.

## **2) Roads Contract Management**

- a. Monitor contractors to ensure compliance with contract and scope of work
- b. Provide guidance to contractors as necessary
- c. Oversee contractor's compliance with ODF standards and currently active NOAP's and / or PDM's.

## **3) Management and Protection of the Forest Ecosystem**

- a. Create and / or update short- and long-term plans for operations / management of forest lands and forest resources including adherence to applicable regulations. Manage adherence to these plans. Make recommendations if/as appropriate.
- b. Plan and supervise forestry projects within the Arch Cape Forest. These tasks may include stand exams, reforestation, stocking surveys , pre-commercial thinning, and recommendations for additional stewardship activities. Analyze effect of stand conditions on tree growth rates, forest health, and overall impact of forest stand dynamics on source water protection.
- c. Support District staff (person performing the property management function), as requested, in hiring, monitoring and firing contractors for all stewardship related work including tree planting, vegetation control, pre-commercial thinning, and road maintenance.
- d. If/as requested, plan and implement projects for conservation of wildlife habitats and soil and water quality.
- e. Monitor roads and culverts and recommend maintenance if/as required.

**Deciding How to Pay for Forest Operating Costs - Topic Description  
January 18, 2024**

Action / Information: Information

Background

The Finance Committee developed a recommended operations and financial planning process which has been reviewed by this Board and the community and continues to be refined as more is known. That process identifies the ongoing costs of operating the Forest that will be incurred by the District.

The attached briefing recommends a process for deciding on how to pay for those ongoing costs. A key element is directly involving the community in the decision-making process using a Local Option Levy as Ballot Measure

Attachment:

Managing the Watershed & Paying for it  
Part II – Recommended Decision Making Process

**Board Objective - Information**

Will be presented at the Community Forum on February 3<sup>rd</sup> and March 2<sup>nd</sup>.

# Arch Cape Forest-Watershed



## Near and Long Range Planning: Managing the Watershed & Paying for it Part II – Recommended Decision Making Process

Briefing to Arch Cape Water District Board on January 18, 2024

Version: January 16, 2024

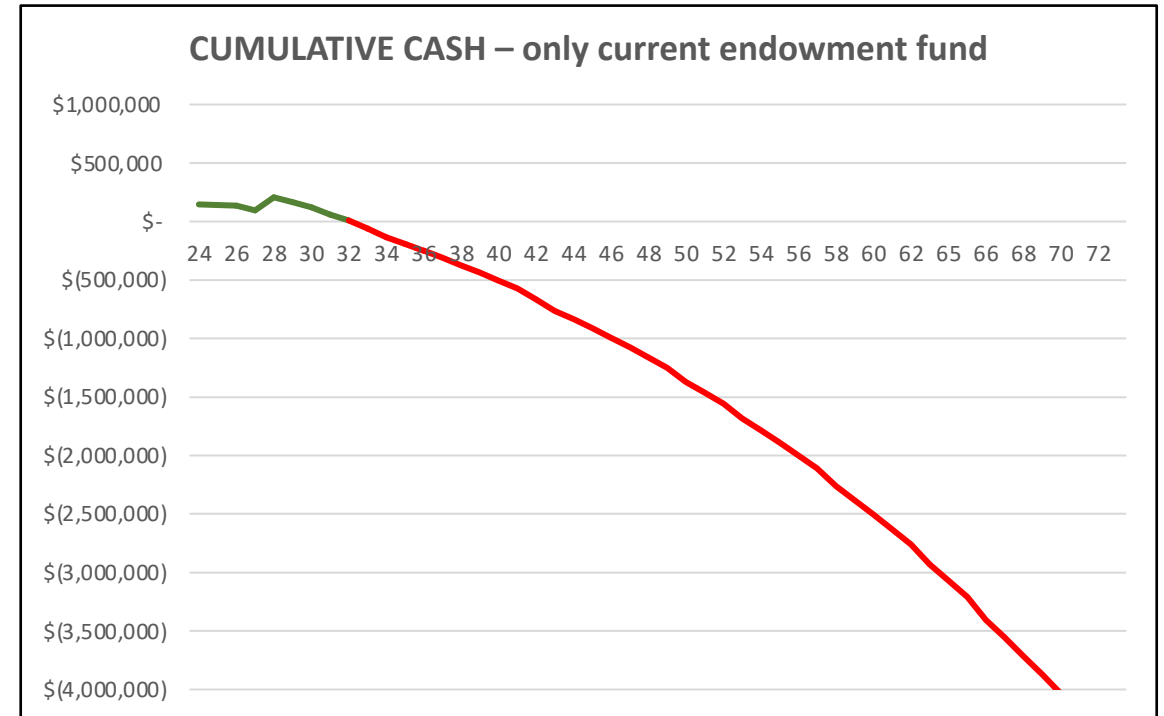
# From Part 1: “Operations Costs & Payment Alternatives

## Annual Ongoing Operating Expenses

OPERATING EXPENSE ASSUMPTIONS	No Logging Annual Avg.
Insurance	-
ODF Fire Assessment	(2,450)
Property Manager (District Staff)	(5,568)
Forest Management & Forestry	(13,085)
Finance & Administration	(5,076)
Legal	(970)
Audit	(2,000)
Update Management Plan (per FLP contract) every 10 years	(1,200)
Road Maintenance	(13,060)
Pre-Commercial Thinning	(254)
Materials - Supplies	(520)
Contingency	None
<b>TOTAL EXPENSES</b>	<b>(44,183)</b>

Average Annual Cost without inflation

Cash on hand to pay for these costs will only last until 2031-2032



From the possible options of logging, rate increases and/or levy taxes, we need to decide how these costs will be paid.

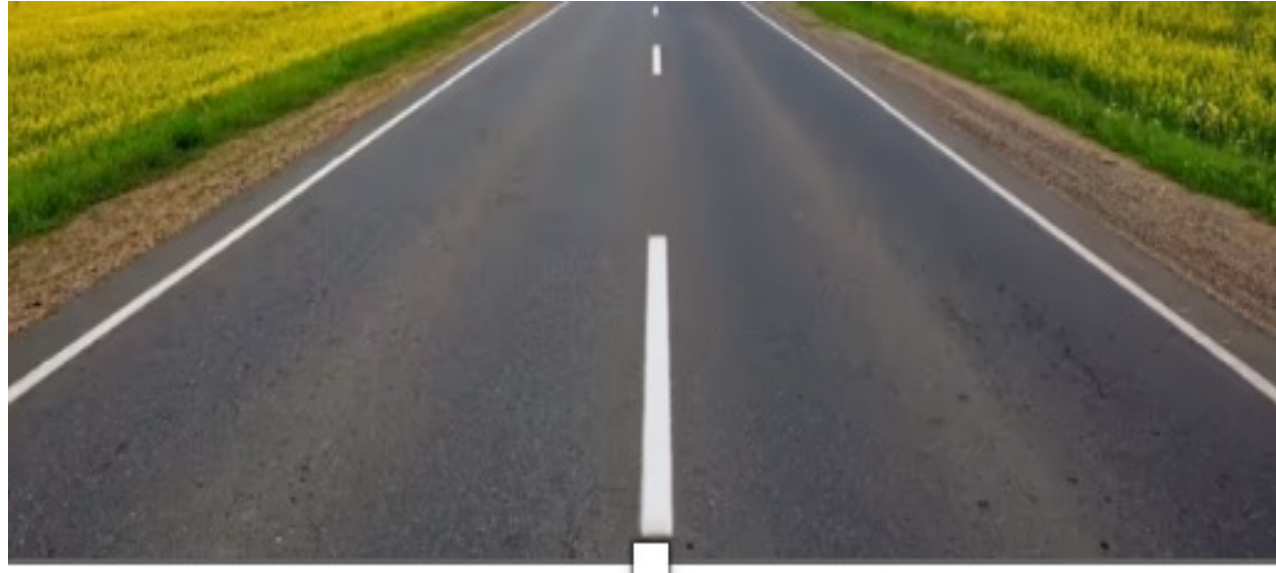
# How to Pay for Ongoing Operations of the Forest?

## Decision – Making Principles

1. Decisions are consistent with the District’s “purchase” objectives to protect the quality of our water.  
Vision Statement: ... To provide clean, safe, and affordable drinking water ...
2. Decisions are consistent with the District’s contractual obligations – specifically the ODF approved Multi-Resource Management Plan, e.g. no “clear cutting”
3. Decisions will be made for “manageable” windows of time, e.g. 12 years, while keeping the long term, e.g. 50 years, in mind.
4. Decisions are reviewed annually and adjusted if/as there are compelling reasons to do so.
5. **The community will be engaged meaningfully and directly in the decision making process.**

# 12 YEAR

## PLANNING HORIZONS for paying for the Forest

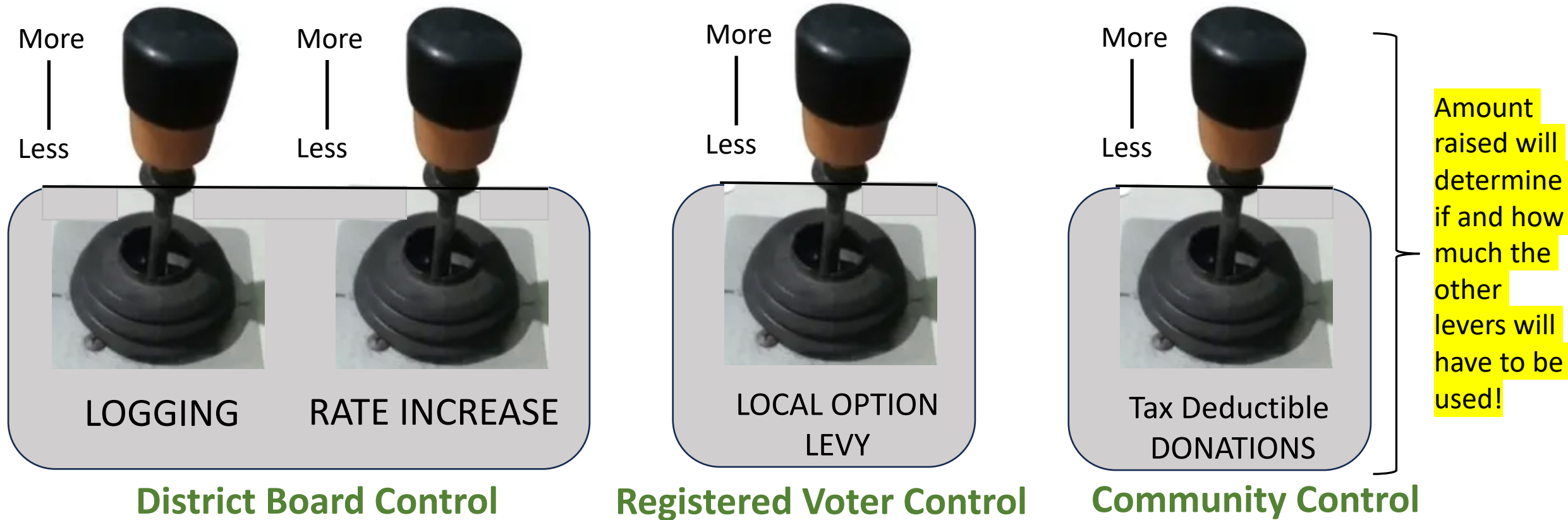


2024 – 2035

Options, Considerations and Recommendation

# Options for Paying for Operating Costs

There are four "revenue levers" that can be used to pay for these operating costs. The District Board only has control over 2 of them.



The four levers can be used singly or in combination - creating a variety of payment options. And they can be reset at any time.



# Comparison: Rate Increases vs Local Option Levy

## To pay for operating costs

Comparison Factor	Rate Increases	Local Option Levy
<b>Timing</b>	Every Year of 10-12 year timeframe	5 successive years within 10-12 year timeframe. (May not be assessed within 1 or more years if Board determines not needed)
<b>Amount</b>	Determined by Board	Proposed by Board on Ballot. Voted by Residents
<b>Maximum Amount</b>		Statute sets maximum total tax amount. Local Option Levy must fit within this and could be “compressed” or totally eliminated
<b>Applies to</b>	Every rate payers (home with a water hookup) but not lots	Every property, e.g. homes, lots, etc.
<b>How is burden allocated?</b>	Even amount across all rate payers (not including excess usage rates)	Amount varies by assessed value of property (see next page)
<b>Approximate households that could weigh in</b>	Informal vote / survey of 302+ household	By vote of registered voters in Arch Cape Water District (175-ish registered voters representing 60+ households) 60 households determine for 300+ households
<b>Other Considerations</b>		Legal fees will likely be required to ensure correct ballot measure. Campaign committee may be useful to educate community. Board likely can't serve on committee



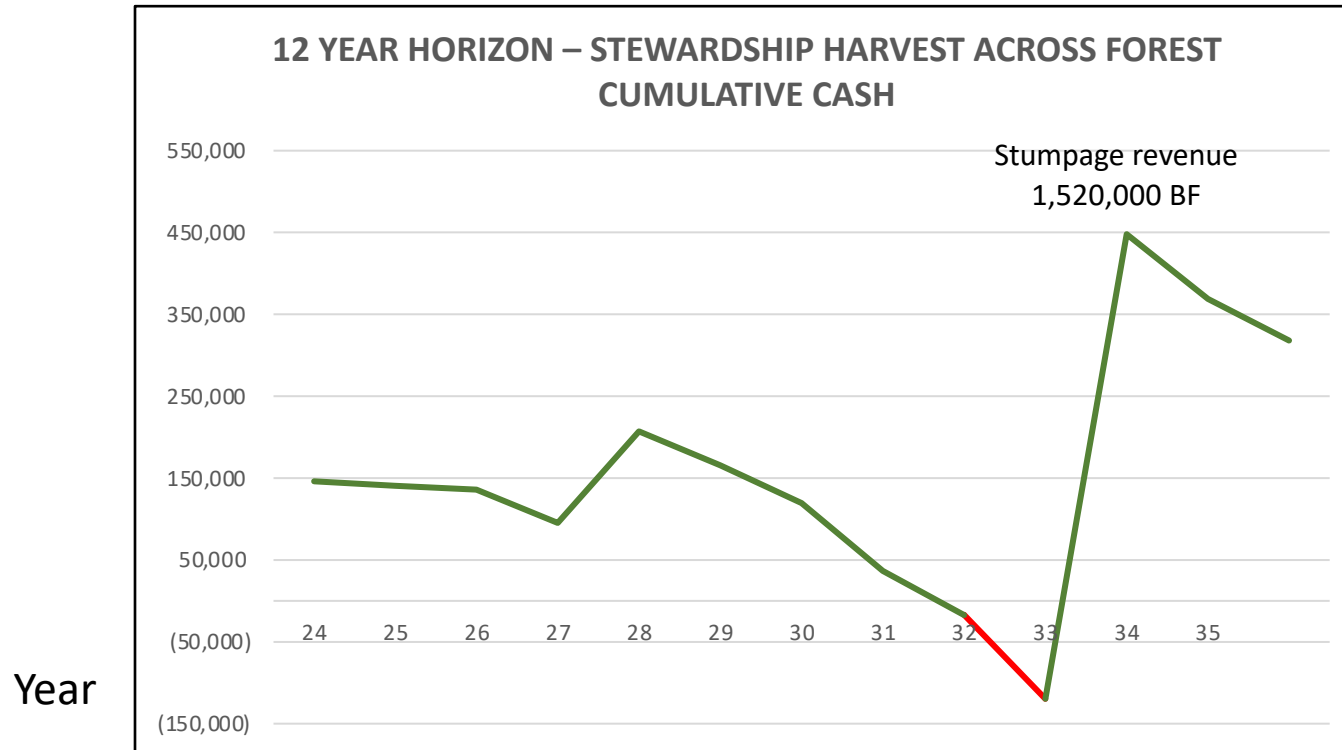
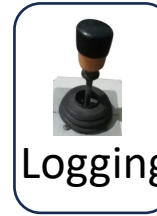
# Clatsop County Property Information

## Assessed Value of Property

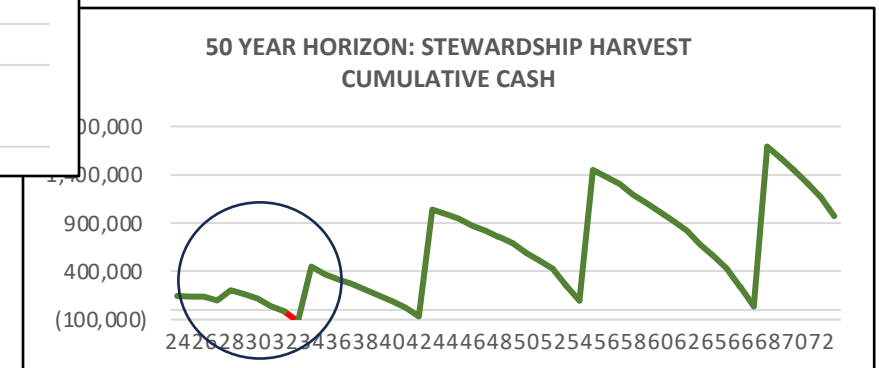
Property Details	Improvements	Assessments	Sales History	Taxes	Payments	Documents
Year	Land Value	Improvements Value	Real Market Value	Assessed Value		
2023	\$292,509.00	\$580,786.00	\$873,295.00	\$350,533.00		
2022	\$254,355.00	\$634,614.00	\$888,969.00	\$340,325.00		
2021	\$195,658.00	\$433,928.00	\$629,586.00	\$330,413.00		
2020	\$156,526.00	\$348,951.00	\$505,477.00	\$320,790.00		
2019	\$143,602.00	\$327,781.00	\$471,383.00	\$311,448.00		
2018	\$143,602.00	\$212,273.00	\$355,875.00	\$244,510.00		
2017	\$103,774.00	\$0.00	\$103,774.00	\$56,444.00		
2016	\$94,340.00	\$0.00	\$94,340.00	\$54,800.00		
2015	\$94,340.00	\$0.00	\$94,340.00	\$53,204.00		
2014	\$125,400.00	\$0.00	\$125,400.00	\$51,655.00		
2013	\$95,021.00	\$0.00	\$95,021.00	\$50,151.00		

Use This Column to figure out the Levy Tax Amount for your property.  
Example: If Levy amount is 10 cents per \$1,000, then the tax on this property the would be \$35 / year for 5 years

Option 1: Logging Only  
Stewardship Harvest (Year 9) inside & outside of DWSA\*  
Cumulative Operating Cash



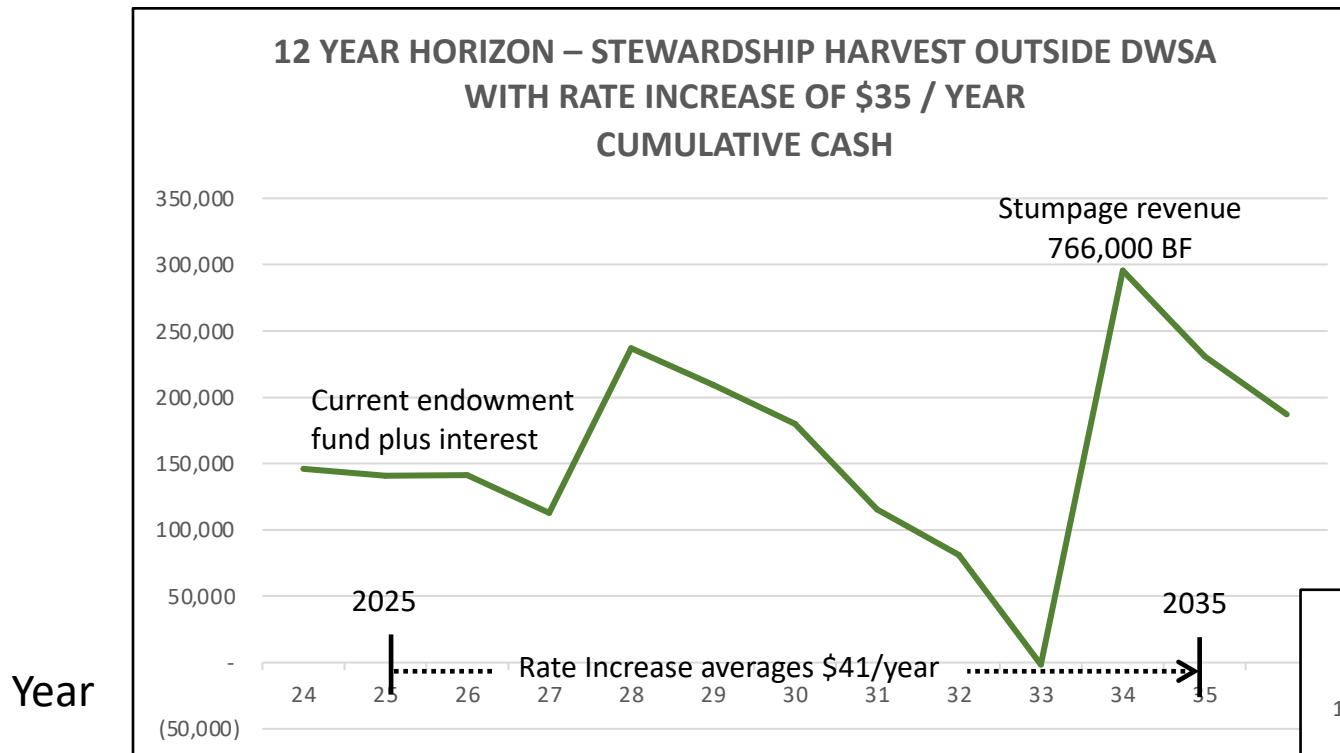
- Based on current estimate of operating expenses



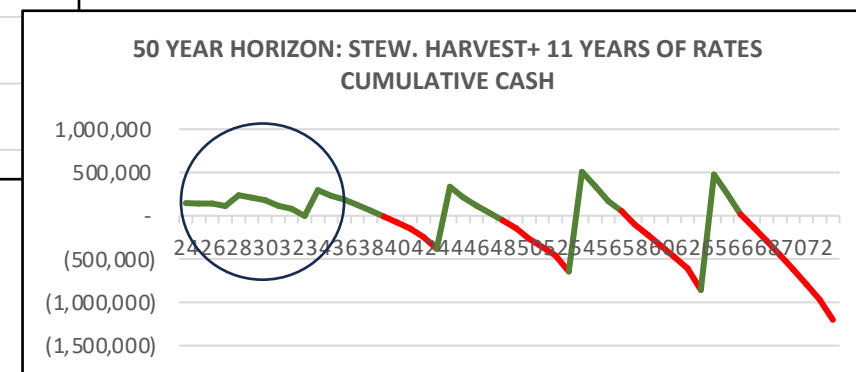
Cut 16% of total acreage (1453 acres)

\* DWSA – Drinking Water Source Area

Option 2: Logging + Rate Increase for 11 years  
Stewardship Harvest (Year 9) ONLY outside DWSA  
Cumulative Operating Cash



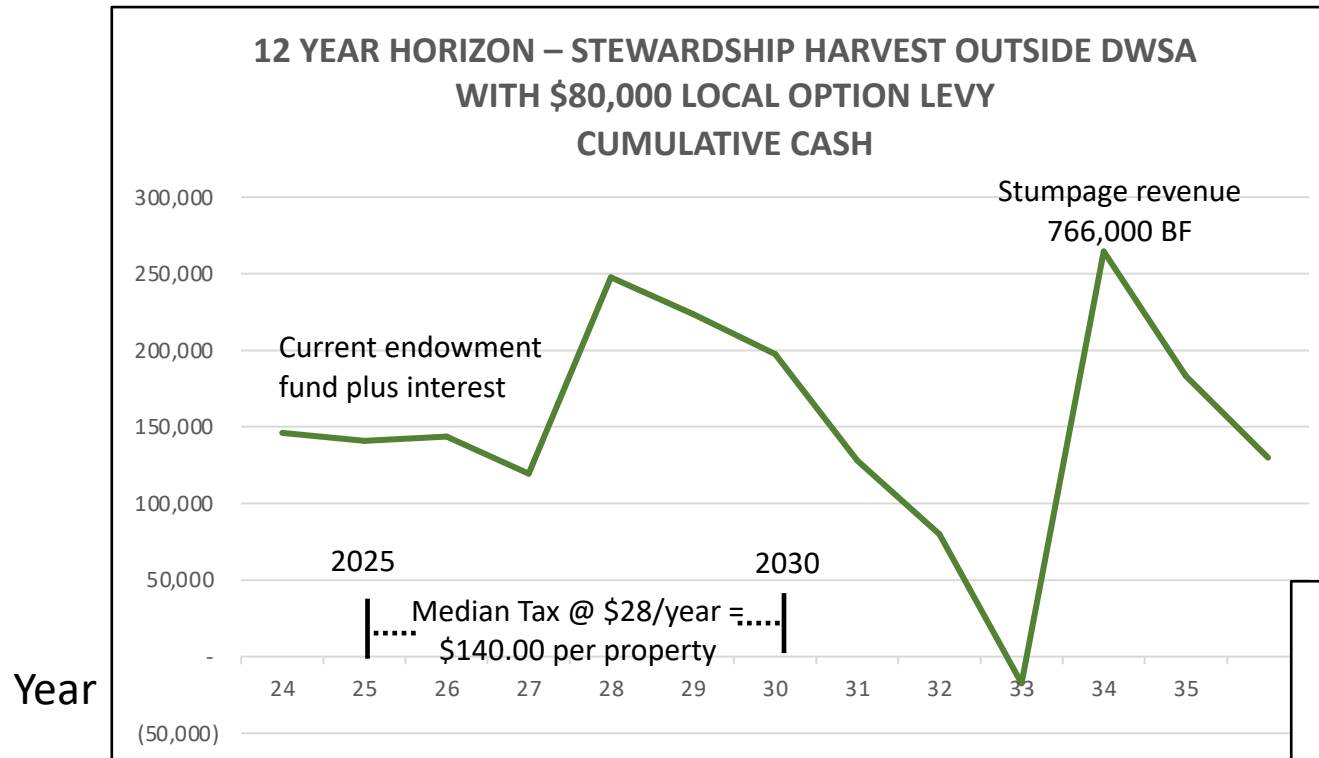
- Based on current estimate of operating expenses




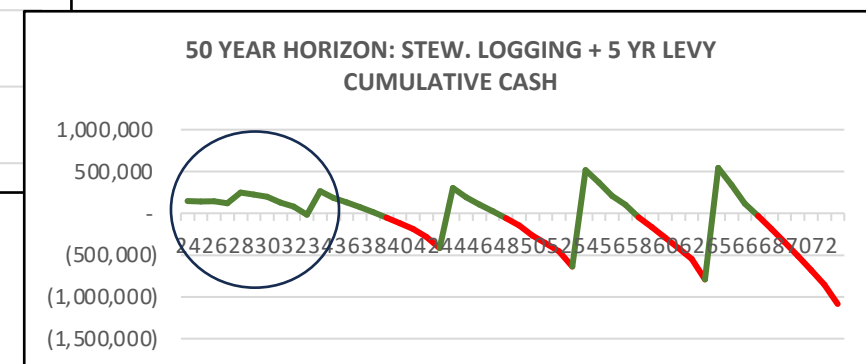
- Rate increases will be needed in subsequent years
- Cut 28% of total acreage (730 acres)

- Rate increases start in July 2025 @ \$35/yr + inflation with 306 hookups (per ACWD long range budget). Average rate over 11 years is \$41 / year. Total of \$448 per hookup.
- Hookups increase by 2 each year (per ACWD long range plan)
- These rate increases are in addition to those anticipated in the District's Long Range Financial Plan

Option 3: Logging + \$80,000 5 year Local Option Levy  
Stewardship Harvest (Year 9) ONLY outside DWSA  
Cumulative Operating Cash



 - Based on current estimate of operating expenses



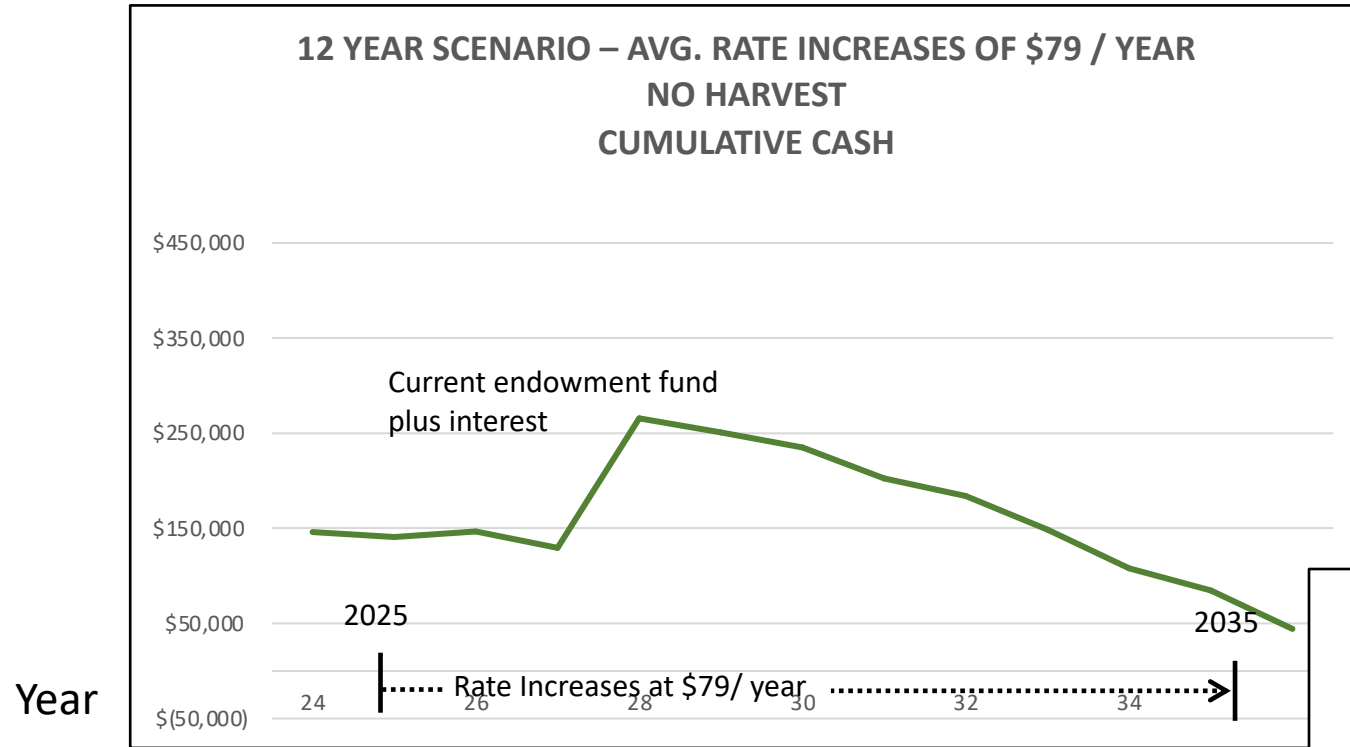
Local Option Levy will be needed in subsequent years

- An addition \$80,000 will be needed in addition to the logging revenue to break even
- @ 10 cents per \$1,000 assessed value (for ALL property)
  - A property at the median assessed value (AV) of \$283,000 = taxes of \$28/year for 5 years for a total of \$140 vs \$448 in rate increases
  - A property at the median assessed value (AV) of \$900,000 is the even point where rate increase would equal taxes

# Option 4: Rate Increases Only

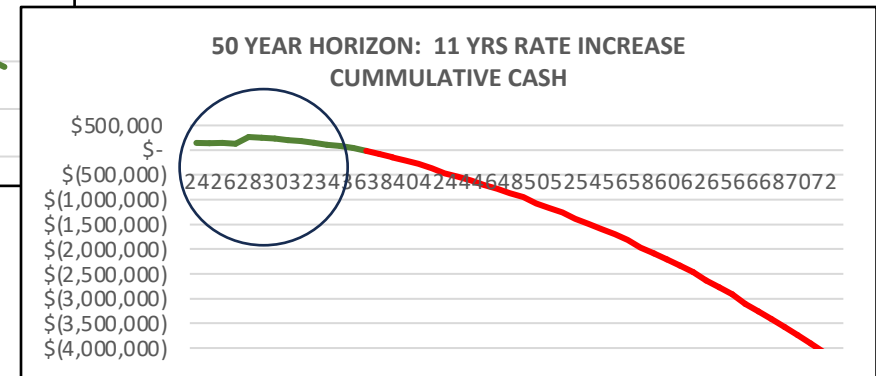
Average Rate increase of \$79 / year (over 11 years) starting in July 2025

## Cumulative Operating Cash



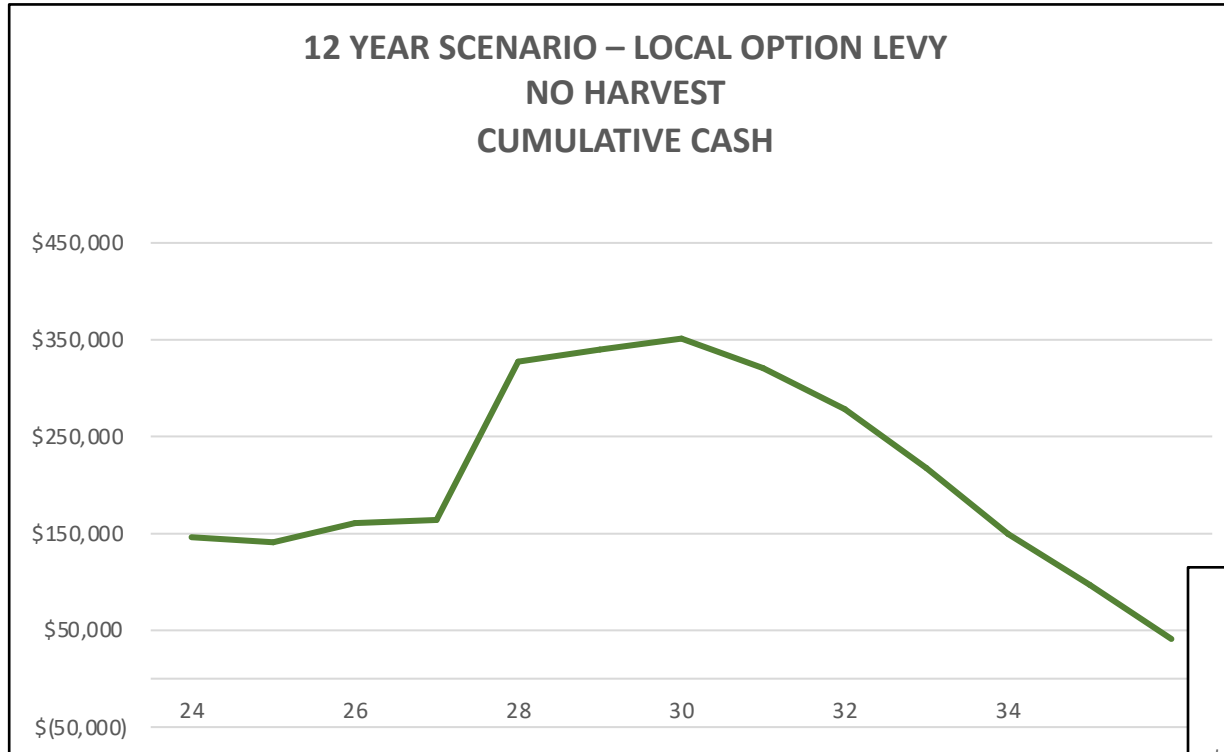
- Based on current estimate of operating expenses
- With inflation, the total rate increase paid over 11 years is \$870.00 = \$79.00 / year

- Rate increases start in July 2025 @ \$68/yr + inflation with 306 hookups (per ACWD long range budget). Average rate over 11 years is \$79 / year. Total of \$870 per hookup.
- Hookups increase by 2 each year (per ACWD long range plan)
- These rate increases are in addition to those anticipated in the District's Long Range Financial Plan



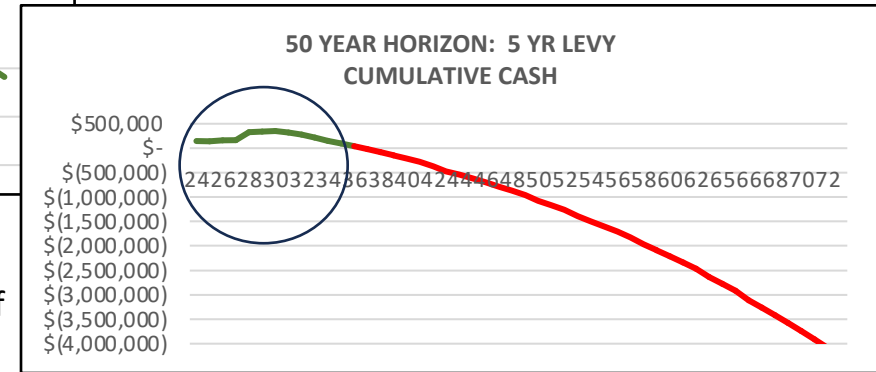
Rate increases will be needed in subsequent years

Option 5: \$250,000 5 Year Local Option Levy  
31 cents / \$1,000 Assessed Value per year starting in 2025  
Cumulative Operating Cash



★ - Based on current estimate of operating expenses

Year

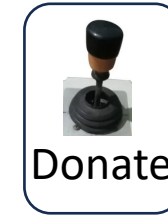


@ 31 cents per \$1,000 assessed value (for ALL property)

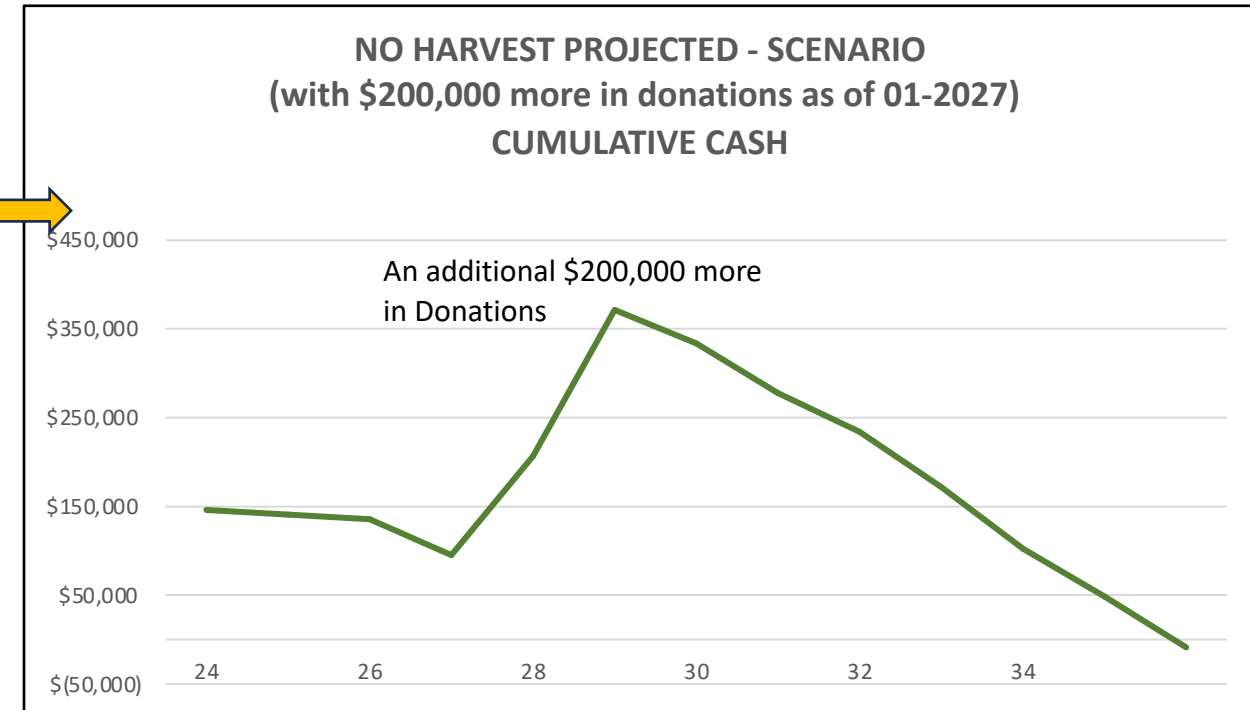
- A property at the median assessed value (AV) of \$283,000 = taxes of \$88/year for 5 years for a total of \$439 in taxes vs \$870 in rates
- A property at the median assessed value (AV) of \$560,000 is the even point where rate increase would equal taxes

Local Option Levy will be needed in subsequent years

# Option #6: Tax Deductible Donations



To the extent that donations are received, they push out the need to log / raise rates --- or they could eliminate those needs entirely. **If donations are to be pursued, the Community needs to put a process in place to raise them. Not in scope of Board..**



**Grants:** It may be possible to get grants, however our general understanding is that grants do not typically cover operating costs. Likely would require some amount of work to be done – like thinning of roads. There would be additional costs to research, apply for and manage grants.



# Considerations

1. Local Option Levies have advantages over rate increases:
  - Levy taxes are more tolerable (lesser amount & shorter duration) for most members of the community. They are tax deductible for some.
  - The community, rather than any 3 people on a Board, decides how to pay for the forest.
  - Rate increases are only used as an emergency measure for unexpected short-term situations
  
2. One “Revenue Event” will be needed every 10-12 years, Either ...
  - A 5-year tax levy, OR
  - A lesser 5-year tax levy and a light logging event (Outside the DWSA)
  - A heavier logging event (Inside and outside the DWSA)
  
3. “Revenue Events” should be scheduled at regular intervals, i.e. with time in-between, i.e. 5 years on 5-6 years off, 5 years on 5-6 years off
  - To ease any financial impact on the members of the community
  - To align with maturity of the trees, i.e. their readiness for harvest

# Recommended Answer for “How to Pay for Ongoing Operations of Forest?”

1. Put a **\$250,000**-ish Local Option Levy on the Ballot between 11-2024 & 11-2025 (sooner rather than later to allow longer interval before next levy which would be required in 2035):
  - If **Pass**: No logging of Forest through 2036. Taxes pay all operating costs.
  - If **Fail**: Put an **\$80,000**-ish Local Option Levy on the the next subsequent Ballot:
    - If **Pass**: Stewardship Logging of Forest ONLY outside DWSA in 2032-2033. Augmented with Levy Tax Revenue to pay all operating costs.
    - If **Fail**: Stewardship logging of Forest inside and outside the DWSA in 2032-2033

For the November 2024 Ballot, the Measure Title of the Levy needs to be filed by August 16 and the Measure Statement by September 5<sup>th</sup>.
2. Use Local Option Levies as needed to determine each 12 year window