

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

Thursday February 15, 2024. 6:45 PM (after Sanitary Board Meeting)

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. Call to Order | Bill |
| II. Conflict of Interest Declarations | Bill |
| III. Public Comments | Bill |
| IV. Agenda Approval (Action) | Bill |
| V. Approve January Minutes (Action) – Pg. 3-4 | Bill |
| VI. Financial & Administrative Reporting | |
| A. Accept January Budget & Balance Sheet - Pg. 5-7 | Bill |
| B. Accept Arch Cape Forest Accounting Worksheet - Pg. 8 | Bill |
| C. Accept January Payment of Accounts - Pg. 9 | Bill |
| D. Accept Correspondence Requiring No Action | Bill |
| E. Treasurer’s Report | Sam |
| VII. Update on Audits | Bill |
| VIII. Amend Policies & Rules (Action) | Bill |
| A. Amend Personnel Policy and Procedures - Pg. 10-12 | |
| B. <u>Amend Public Contracting Rules</u> | |
| https://www.archcapewater.org/_files/ugd/ccbc7f_7398aaaf5ea446338c47d306171ecee.pdf | |
| (1) CALL TO ORDER JOINT MEETING OF THE DISTRICT BOARD OF DIRECTORS AND LOCAL CONTRACT REVIEW BOARD | |
| (2) JOINT PUBLIC HEARING REGARDING RESOLUTION AMENDING PUBLIC CONTRACTING RULES FOR ARCH CAPE WATER DISTRICT | |
| (a) The public hearing will be held for the purpose of taking comments on the District's draft findings supporting the exemption of certain classes of special procurements and public improvement contracts from competitive bidding requirements. | |
| (b) Introduction and Overview. - Pg. 13-16 | |
| (c) Public testimony. | |
| (3) MOTION TO ADOPT RESOLUTION #24-0216 WD - - Pg. 17-19 | |
| (4) ADJOURN JOINT MEETING OF THE DISTRICT BOARD/LOCAL CONTRACT REVIEW BOARD\ | |

IX. Upcoming Events in March (Information) – Pg. 20	Bill
X. Reports	
A. Staff Report and Correspondence for Action - Pg. 21	Matt
B. Board Members' Comments and Reports	All
C. Community Forum. March 2 10:00 - 12:00 Arch Cape Firehouse	Bill
XI. Forest-Watershed:	Bill
A. Adopt Amended Governance Section for Public Comment (Action) – Pg. 22-27	
(1) Public Comments	
(2) Motion to Adopt	
XII. March Meeting	Bill
A. Move forward with exploring Local Option Levy for November Ballot	
B. Other Items	
XIII. Public Comments	Bill
XIV. Adjournment	Bill

Arch Cape Domestic Water District Board Meeting Minutes

January 18, 2024

Pursuant to notice posted, a regular meeting Board of Directors was held via Zoom Arch Cape Fire Hall in Arch Cape, Oregon.

Present: Bill Campbell, Chair, Directors: Bob Cerelli, Chris Mastrandrea, Tevis Dooley, Sam Garrison; Staff: Matt Gardner, District Manager and Teri Fladstol, Administrative Assistant. Public: Joe Sherman, Mark Engberg, Darr Tindall, Tom Mattia, Casey Short.

Call to Order at 6:00 pm by Bill Campbell

Conflict of Interest Declarations: None

Public Comments: None

Agenda Approval: – Motion made by Tevis Dooley to accept agenda as presented; Second by Chris Mastrandrea Motion Carried.

Accept December Minutes: – Motion made by Bob Cerelli to accept minutes as presented; Second by Tevis Dooley Motion Carried.

Financial & Administrative Reporting: Review of a couple of items that had changed since the packet went out, one being \$21,000 in donations to date. Request to bring column headings down to each section as we refine the financial statements.

Audits Update & Implementing Board Oversight: Motion made by Tevis Dooley to appoint Tom Mattia to work, as Board Representative, with District Staff, Contractor and Auditor to provide Board oversight in bringing the audits up to date; Second by Bob Cerelli. Motion carried.

Calendar of Upcoming Events for Information, page 13 of the Board Packet – please update your calendars with these dates.

Reports:

Staff Report & Correspondence for Action: Matt Gardner gave report of Century Link internet that will not service anymore as of December 31, 2023. We will not have service at the Water Treatment plant if the internet goes down. Spectrum service to the facility will cost \$25,000 and they will cover \$8,000 of that. We have a private citizen that will donate Starlink hardware to see if that will work; if so, that would be a monthly subscription service for \$120. Eric Lessor is on standby to finish up the VPN to connect the two District facilities.

Tevis Dooley: siding is going well on the Sanitary plant building and it is sealed up against weather;

Bob Cerelli: Thanked Matt & Logan for their cleaning of the digesters at the Sanitary plant, hard dirty work and we appreciate it.

Chris Mastrandrea: Continue to work with funding resources and moving forward with planning.

Watershed:

Bill Campbell updated on status with the process for both the consultant forester and roads contractor. A motion was made by Bob Cerelli to issue a notification of intent to award to Morgans Resource Management and authorize the President of the Board, to negotiate and sign a contract with Morgans Resource Management. Second by Tevis Dooley, discussion. Motion Carried.

Amended Governance Section for Public Comment – information for recommendations from the Finance Committee and this document will replace the current one in the Multi-Resource Management Plan.

Process for Deciding how to Pay for the Operating Costs for managing the Forest – information from the Finance Committee. This briefing is about a recommendation process. How we decide, what and when we do it.

February Agenda Items: Resolution – New Procurement Rules, Adopt Governance Section of Multi-Resource Management Plan; Update on Community Forum on February 2nd and update to the Budget Committee Member status.

Public Comments: Darr mentioned that the situation with the Auditor and information being passed on due to the situation. Tom updated status on the Sanitary Board audit coming in early February. Teri and Tom are continuing to monitor and send documentation to keep things moving.

There being no further business, Motion by Chris Mastrandrea to adjourn the meeting. Second by Bob Cerelli, Motion Carried. Meeting adjourned at 7:27 pm.

Respectfully Submitted

Attest:

Teri Fladstol, Secretary

Bill Campbell, President

DRAFT

12:23 PM

02/09/24

Cash Basis

Arch Cape Domestic Water District
Balance Sheet
As of January 31, 2024

	Jan 31, 24
ASSETS	
Current Assets	
Checking/Savings	
00-1000 · #1196 Main Checking	10,823.21
01-1100 · Local Gov Pool - Water 5783	227,341.33
03-1101 · Local Gov Pool - Forest 6469	
03-1102 · LGIP - Hollis Grant Funds	77,852.25
03-1101 · Local Gov Pool - Forest 6469 - Other	272,982.37
Total 03-1101 · Local Gov Pool - Forest 6469	350,834.62
Total Checking/Savings	588,999.16
Total Current Assets	588,999.16
TOTAL ASSETS	588,999.16
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2401 · Payroll PERS Liability	1,000.00
Total Other Current Liabilities	1,000.00
Total Current Liabilities	1,000.00
Total Liabilities	1,000.00
Equity	
3200 · Retained Earnings	394,332.94
Net Income	193,666.22
Total Equity	587,999.16
TOTAL LIABILITIES & EQUITY	588,999.16

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

GENERAL FUND				
RESOURCES	Budget	YTD Jan 24	Unspent	% Spent
01-4100 · Beginning Balance	\$ 105,837			
REVENUE				
01-4601 · Base Rate Meter Sales	\$ 201,703	\$ 134,591	67,112	67%
01-4604 · Overage/Excess Usage	\$ 17,000	\$ 16,458	542	97%
01-4605 · Debt Service	\$ 20,740	\$ 12,670	8,070	61%
01-4200 · IGA Income (Sanitary District)	\$ 157,500	\$ 55,068	102,432	35%
01-4501 · Meter Hook-Up Fee	\$ 1,400	\$ 700	700	50%
01-4400 · Cannon View Park Services	\$ 800	\$ 1,313	(513)	164%
01-4700 · Miscellaneous Income	\$ -	\$ 4,851	(4,851)	
01-4750 · LGIP - Interest	\$ 1,000	\$ 6,580	(5,580)	658%
TOTAL REVENUE	<u>\$ 400,143</u>	<u>\$ 232,230</u>	<u>\$ 167,913</u>	58%
TOTAL RESOURCES	<u>\$ 505,980</u>	<u>\$ 232,230</u>	<u>\$ 167,913</u>	
REQUIREMENTS				
MATERIALS & SERVICES				
01-5001 · Wage - District Manager	\$ 80,000	\$ 46,667	33,333	58%
01-5002 · Wages - Operator	\$ 55,000	\$ 30,474	24,526	55%
01-5003 · Employer Payroll Taxes	\$ 12,500	\$ 6,946	5,554	56%
01-5004 · PERS Retirement	\$ 35,250	\$ 5,633	29,617	16%
01-5005 · Medical Insurance	\$ 40,000	\$ 6,083	33,917	15%
01-5006 · Worker's Compensation Insurance	\$ 3,400	\$ (356)	3,756	-10%
TOTAL PERSONNEL SERVICES	<u>\$ 226,150</u>	<u>\$ 95,447</u>	<u>\$ 130,703</u>	42%
01-6001 · Administrative Services	\$ 44,400	\$ 22,450	21,950	51%
01-6002 · Temporary Help	\$ 10,000	\$ 150	9,850	2%
01-6003 · Clothing Allowance	\$ 1,000	\$ 404	596	40%
01-6004 · Education	\$ 2,700	\$ 775	1,925	29%
01-6005 · Travel	\$ 1,000	\$ 225	775	23%
01-6006 · Office Supplies	\$ 2,300	\$ 2,734	(434)	119%
01-6007 · Postage	\$ 2,500	\$ 1,215	1,285	49%
01-6008 · Vehicle	\$ 4,000	\$ 4,545	(545)	114%
TOTAL IGA	<u>\$ 67,900</u>	<u>\$ 32,498</u>	<u>\$ 3,602</u>	48%
TOTAL PERSONNEL SERVICES & IGA	<u>\$ 294,050</u>	<u>\$ 127,945</u>	<u>\$ 6,608</u>	44%
01-6101 · Facilities Use (Santiary)	\$ 3,750	\$ -	3,750	
01-6102 · Payroll Administration Service	\$ 500	\$ 297	203	59%
01-6103 · Liability & Property Insurance	\$ 12,000	\$ 9,480	2,520	
01-6104 · Licenses	\$ 2,000		2,000	
01-6105 · Dues & Taxes	\$ 1,450	\$ 2,184	(734)	151%
01-6106 · Professional Services	\$ 5,000	\$ -	5,000	
01-6107 · Auditing Service	\$ 25,000	\$ -	25,000	
01-6108 · Legal Services	\$ 9,500	\$ 1,150	8,350	
01-6109 · Notices	\$ 700	\$ 138	562	20%
01-6110 · Utilities	\$ 12,000	\$ 6,335	5,665	53%
01-6200 · Maintenance	65,000	\$ 21,216	43,784	33%
01-6201 · Chemicals	\$ 6,500	\$ 3,467	3,033	53%
TOTAL MATERIALS & SERVICES	<u>\$ 143,400</u>	<u>\$ 44,267</u>	<u>\$ 99,133</u>	31%

GENERAL FUND				
RESOURCES	Budget	YTD Jan 24	Unspent	% Spent
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	\$ 17,023	-	100%
01-7500 · Debt Serv-IFA Water Plant Upgrade [I]	\$ 3,749	\$ 3,749	-	100%
TOTAL DEBT SERVICE & CONTINGENCY	\$ 22,772	\$ 20,772	\$ 2,000	7%
01-8000 · Contingency - GF	\$ 62,843		62,843	
01-8003 · Undesignated - GF	\$ 3,416		3,416	
TOTAL REQUIREMENTS:	\$ 526,480	\$ 160,485	\$ 298,096	30%
CAPITAL FUND				
RESOURCES				
02-4100 · Beginning Balance	\$75,828	75,828	75,828	100%
z				
02-4550 · SDC Revenue	\$13,163	13,671	(508)	104%
TOTAL REVENUE		13,671		
TOTAL RESOURCES	\$88,990	\$89,499	\$75,320	101%
REQUIREMENTS				
02-7000 · Capital Outlay				
02-8001 · Operating Contingency	\$88,990			
TOTAL REQUIREMENTS:	\$88,990	\$0	\$92,840	
FOREST (WATERSHED) FUND				
RESOURCES				
03-4101 · Undesignated Balance	\$409,103		409,103	
REVENUE				
03-4801 · Business OR - ARPA	\$776,626	276,099	500,527	36%
03-4804 · Safe Drinking Water (U22010)	\$30,000		30,000	
03-4990 · Hollis Foundation		90,000		
03-4850 · Private Donations		21,725		
03-4751 · LGIP - Interest	\$14,625	6,824	7,801	47%
TOTAL REVENUE	\$ 821,251	\$ 394,648	\$ 538,328	32%
TOTAL RESOURCES	\$1,230,354	\$394,648	\$909,630	
REQUIREMENTS				
Audit	\$10,000		10,000	0%
03-7805 · ODF Fire Protection	\$2,335	\$ 2,550	(215)	109%
03-7805 · Legal Fees	\$4,500	\$ 3,420	1,080	76%
03-7803 · Project Management Services	\$40,836	\$ 33,658	7,178	82%
03-7803 · Project Management - District Staff	\$13,104	\$ -	13,104	0%
03-7802 · Forestry Services	\$45,029	\$ 83,915	(38,886)	186%
03-7800 · Finance Management	\$6,000	\$ 3,500	2,500	58%
03-7990 · Hollis Foundation		\$ 12,148	(12,148)	
03-7800 · Construction	\$638,899	\$ 81,748	557,151	
03-7802 · Land Maintenance Repair	\$48,258	\$ 164	48,094	0%
TOTAL REQUIREMENTS	\$ 808,961	\$ 221,103	\$587,858	27%
03-8000 · Contingency	\$421,393			
TOTAL REQUIREMENTS & CONTINGENCY	\$1,230,354	\$ 221,103	\$ 587,858	18%

ARCH CAPE FOREST ACCOUNTING WORKSHEET

<u>ARPA Activity</u>	<u>Approved Budget</u>	<u>Through Disbursement DR9</u>	<u>Current Request (DR10)</u>	<u>Remaining</u>
Project Mgmt	\$ 75,682.00	\$ (53,554)	\$ (20,646.75)	\$ 1,481.25
Finance Mgmt	\$ 6,000.00	\$ (9,000)	\$ (500.00)	\$ (3,500.00)
Construction	\$ 692,878.00	\$ (75,329)		\$ 617,549.00
Legal Fees	\$ 7,500.00	\$ (2,430)	\$ (990)	\$ 4,080.00
Forestry Consultant	\$ 98,000.00	\$ (97,431)	\$ -	\$ 569.00
Land Acquisition	\$ 940,000.00	\$ (940,000)		\$ -
Land Maint + Repair (PCT)	\$ 174,090.00	\$ (86,441)		\$ 87,649.42
Conservation Planning	\$ 5,850.00	\$ (5,850)	\$ -	\$ -
Total	\$ 2,000,000.00	\$ (1,270,035)	\$ (22,136.75)	\$ 707,828.67

<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>Current Request</u>	<u>Remaining</u>
ODF Patrol Fee Assessment	\$ 2,335	\$ (2,550)		\$ (215)
Property Management	\$ -	\$ (55)	\$ (21)	\$ (76)
Legal	\$ -	\$ (400)		\$ (400)
Audit	\$ 10,000			\$ 10,000
Local Option Levy				\$ -
Admin				\$ -
Materials / Supplies	\$ -	\$ (164)		\$ (164)
Total	\$ 12,335	\$ (3,169)		\$ 9,145

Type	Num	Date	Name	Account	Paid Amount
Check	EFT	1/11/2024	Sure Payroll	01-5001 · Wages	\$ (5,878.32)
Check	EFT	1/30/2024	Sure Payroll	01-5001 · Wages	\$ (6,060.04)
Check	2192	1/11/2024	SDIS	01-5005 · Medical Insurance	\$ (49.07)
Check	EFT	1/30/2024	MODA Health	01-5005 · Medical Insurance	\$ (473.51)
Check	2198	1/25/2024	Jigsaw Consulting Services	01-6001 · Administrative Services	\$ (3,200.00)
Check	EFT	1/2/2024	M & N Clothing Astoria	01-6003 · Clothing Allowance	\$ (247.75)
Check	EFT	1/5/2024	OCTAO Water Academy	01-6004 · Education	\$ (260.89)
Check	EFT	1/10/2024	SDAO	01-6004 · Education	\$ (100.00)
Check	2197	1/25/2024	H.D. Fowler	01-6006 · Office Supplies	\$ (1,677.74)
Check	EFT	1/9/2024	Amazon.com	01-6006 · Office Supplies	\$ (176.02)
Check	EFT	1/16/2024	Pollard Water	01-6006 · Office Supplies	\$ (37.95)
Check	EFT	1/23/2024	Amazon.com	01-6006 · Office Supplies	\$ (24.34)
Check	EFT	1/3/2024	USPS	01-6007 · Postage	\$ (330.00)
Check	EFT	1/16/2024	USPS	01-6007 · Postage	\$ (13.60)
Check	2186	1/4/2024	Jackson Oil	01-6008 · Vehicle	\$ (851.36)
Check	EFT	1/11/2024	Sure Payroll	01-6102 · Payroll Administration Service	\$ (39.99)
Check	2191	1/11/2024	SDIS	01-6103 · Liability & Property Insurance	\$ (9,471.00)
Check	2190	1/11/2024	Oregon Government Ethics Commission	01-6105 · Dues & Taxes	\$ (567.41)
Check	2184	1/4/2024	Local Government Law Group, PC	01-6108 · Legal Services	\$ (750.00)
Check	2187	1/11/2024	Pacific Power	01-6110 · Utilities	\$ (318.74)
Check	2188	1/11/2024	CenturyLink	01-6110 · Utilities	\$ (162.15)
Check	2194	1/18/2024	Pacific Power	01-6110 · Utilities	\$ (78.36)
Check	2195	1/18/2024	AT&T Mobility	01-6110 · Utilities	\$ (96.76)
Check	2189	1/11/2024	Alexin Analytical	01-6200 · Maintenance	\$ (3,180.00)
Check	2193	1/11/2024	One Call Concepts	01-6200 · Maintenance	\$ (2.80)
Check	2196	1/25/2024	USA BlueBook	01-6200 · Maintenance	\$ (580.69)
Check	EFT	1/25/2024	CS&S	01-6200 · Maintenance	\$ (17.80)
Check	EFT	1/31/2024	1st Security Bank	01-6200 · Maintenance	\$ (10.00)
Check	EFT	1/26/2024	PERS	2401 · Payroll PERS Liability	\$ (2,352.99)
Check	EFT	1/30/2024	Sure Payroll	03-5001 · Wages	\$ (21.00)
Check	2199	1/25/2024	Springboard Forestry	03-6840 · Reimburs Grant Expense - Forest	\$ (20,646.75)
Check	2198	1/25/2024	Jigsaw Consulting Services	03-7800 · Business OR - ARPA	\$ (500.00)
Check	2185	1/4/2024	Blair Henningsgarrad Attorney at Law	03-6108 · Legal Services	\$ (990.00)

Personnel Policy - Topic Description
February 15, 2024

Action / Information: Action

Background

Beginning January 1, 2024, Oregon's victim protection law will include victims of bias. Under the expanded law, all employers are prohibited from discriminating against an applicant or employee because they're the victim of bias and must provide reasonable safety accommodations upon request.

These new protections require the District to amend its "Personnel Policies and Procedures: 14-02 WD".

As long as we are in the process of amending the policies and procedures for that reason, there are two other proposed amendments

1. Update the Time Keeping policy to clarify the information to be recorded
2. Include a bereavement policy. The proposal below is consistent with SDAO recommendations with leave time aligned with Cannon Beach

Attached: Proposed Amendments

Board Objective - Action

Motion: To accept the recommended amendments to Personnel Policies and Procedures: 14-02 WD

**Proposed Amendments to District's
Personnel Policy and Procedures: #14-02 WD**

Legend: ~~Previous language that is stricken~~
New language

Time Records (Updated as below)

~~Time cards must serve as an accurate record of the time for which each employee is paid wages and overtime.~~

The District's defined and established process for Time Recording serves as the accurate record of the time for which each employee is paid wages, overtime and On-Call Duty. Each employee is expected to record accurately the time spent working on District business. At the end of each shift, each employee is responsible for recording all hours, regular and overtime that were worked during that shift. For On-Call Duty, the responsible person for each day must be recorded. All hours worked for call-outs during On-Call Duty are to be recorded no later than the next shift that is worked by the employee.

Personal time spent in District offices outside regular working hours should not be recorded. An employee of the District may volunteer service to the District, and the time involved would not be recorded, ONLY IF the volunteer hours worked DO NOT INVOLVE THE SAME TYPE OF SERVICE which the person is employed to perform for the District. All volunteer activities by employees must be approved in advance, and in writing.

Equal Opportunity Employment (Updated as below based on statute)

It is the District's policy to employ, retain, promote, discipline, discharge, and otherwise treat all employees and job applicants on the basis of merit, qualifications and competence or membership in any other classification protected under federal or Oregon law. It is the policy of the District to comply with federal and state statutes on equal employment opportunity. This policy shall be applied without regard to any individual's sex, gender, race, color, religion, national origin, ancestry, age, marital status, political affiliation, sexual orientation, veteran status, any disability which can be accommodated reasonably, or any other status protected by law. Actual or perceived homosexuality, heterosexuality or bisexuality are also categories of people protected from discrimination in hiring, firing, discipline and other terms of employment.

The District will not discriminate against an applicant or employee because they're the victim of bias. A *victim of bias* is the victim of a crime committed because of their perceived race, color, religion, gender identity, sexual orientation, disability, or national origin—commonly called a hate crime. The District will provide reasonable safety accommodations upon request (e.g., modifying their schedule, installing a lock, or changing a phone number).

The Manager is the coordinator for the District's procedures for the implementation of this policy. It is the intent and desire of the District that equal employment opportunity will be

provided in employment, promotions, wages, benefits, and all other privileges, terms and conditions of employment.

Domestic Violence Victim Leave (Updated as below based on statute)

The District will provide eligible employees (employees who have worked for at least 180 days and worked an average of 25 or more hours per week in the past 180 days) with a “reasonable” amount of leave if they or their minor child or dependent are the victim of domestic violence, sexual assault or stalking **or are a victim of bias. A *victim of bias* is the victim of a crime committed because of their perceived race, color, religion, gender identity, sexual orientation, disability, or national origin—commonly called a hate crime.**

“Reasonable” will depend on the circumstances. Leave may be taken to **seek legal or law enforcement assistance, seek counseling** attend court proceedings, obtain medical, mental health **or victim** services, relocate or make a residence safer, among other reasons. Employers are permitted to require a limited amount of verification of the need for leave and must treat all information received as confidential.

Bereavement Leave (All New)

Employees are eligible to take a Bereavement Leave in the event of the death of the following immediate family members:

- * Spouse/Domestic Partner
- * Biological, Adoptive, Foster, or Stepchild
- * Parent
- * Grandparent/Grandchild
- * Parent-in-law
- * Another Person of "In Loco Parentis" Relation

This leave may be taken to attend the funeral of the family member, to make arrangements necessitated by the death of a family member, or to grieve the death of a family member.

If the employee has worked an average of 25 hours per week in the 180-day period preceding the leave, at a minimum, the employee shall be granted leave of absence with pay not to exceed four (4) workdays. If any additional workdays are required for bereavement leave, the employee shall utilize other accrued leave benefits (personal leave, vacation, or unpaid leave).

When an employee participates in a funeral ceremony of a person not listed above, they shall be granted reasonable time off to perform such duties and to complete needed travel, not in excess of three (3) days. An employee may take this time off as leave without pay, vacation leave, or personal leave.

Public Contracting Rule - Topic Description **February 15, 2024**

Action / Information: Action

Background

The Oregon Public Contracting Code (specifically ORS 279A.065) directs the Attorney General (AG) to prepare Model Public Contracting Rules “that specify procedures for public contracting under the Public Contracting Code and that are appropriate for all contracting agencies to use.” Agencies, such as our Districts, are allowed to opt out of the AG’s Public Contracting Model Rules and adopt rules that are more aligned with the business of the District. In doing so, the District Board is also acting as its own Local Contract Review Board.

The District previously opted out of the AG’s Model Rules and purchased a public contracting packet from The Local Government Law Group P.C. Those rules are out of date.

The 2023 legislature adopted several Oregon Public Contracting Code amendments, which the AG is incorporating into its Model Rules to reflect those legislative changes. The Local Government Law Group P.C. has incorporated all statutory amendments and needed modifications into their updated public contracting rule packet, which the District has purchased.

In order to adopt the new rules contained in the packet, the District Board, which also operates as the Local Contract Review Board, must opt out of the Model Rules and amend (replace) their existing Public Contracting rules with the new packet.

For public review, attached and posted on the District Web Site at [Public Contracting Rules Materials](#) (click on the highlighted words) are:

- The attached letter from the Local Government Law Group P.C. highlights key change in the Public Contracting Rules. The first and second changes in the letter will have direct impact on the District.
- The attached Resolution #2024-2016 WD (also posted on the Web Site) is the vehicle for opting out of the AG’s Model Rules and replacing the Districts’ old rules with the current ones.
- Posted on the District’s Web Site is Exhibit A which identifies the findings needed to support exceptions to the rules that our District is allowed to take. The first set of findings supports proposed Rule 137-049-0650 allows the use of a Request for Proposal alternative contracting method for public improvement contracts estimated to cost over \$100,000. This exemption is directly relevant to the District, based upon recent contracting for the Forest-Watershed.
- Posted on the District’s Web Site is Exhibit B, which sets forth the complete set of Contracting Rules that the District will follow, upon adoption.

Board- Action

1. Call to order a JOINT MEETING OF THE DISTRICT BOARD OF DIRECTORS AND LOCAL CONTRACT REVIEW BOARD
2. Hold a PUBLIC HEARING regarding RESOLUTION #24-0216 WD
3. Make a MOTION TO ADOPT RESOLUTION #24-0216 WD.
“I move to adopt Resolution #24-0216 WD on behalf of Arch Cape Domestic Water Supply District and on behalf of the District’s Local Contract Review Board.”
4. Adjourn the JOINT MEETING

Carolyn H. Connelly
Ross M. Williamson*
Mark A. Wolf
Diana Moffat
Emily B. Guimont
Lori J. Cooper
Armand Resto-Spotts
*Also Admitted in Washington

November 30, 2023

Via Email Only To: mattgardneracutil@gmail.com

Matt Gardner, District Manager
Arch Cape Domestic Water District
32065 E. Shingle Mill Lane
Arch Cape, OR 97102

Re: 2023 Public Contracting Rules Update Packet

Dear Mr. Gardner:

Your District has either expressed interest in, or previously adopted, our public contracting packet. As you know, our packet is based on the AG's Model Rules, with changes that simplify and tailor those Rules for our clients and adds exemptions not available under the AG's Rules.

In reviewing our records, we see that Arch Cape Domestic Water District originally received our Public Contracting Rules Packet on February 15, 2005, and subsequently purchased one update. The last purchased update was on June 14, 2006. While our records do not reflect whether your District actually adopted those Rules, assuming that they are in place, they are now out of date.

The 2023 legislature adopted several Oregon Public Contracting Code amendments. The AG is currently in the process of updating its Model Rules to reflect those legislative changes. Since the AG's Rules have yet to be issued, I have reviewed all statutory amendments and incorporated needed modifications into our public contracting rule packet. Pursuant to ORS 279A.065(6)(b), such a review is required for any entity which has adopted its own rules. I conduct this review for districts that have purchased our Rules, then let you know when amendments are required.

Our 2023 Public Contracting Rules Packet includes the following modifications:

1. The "Small Procurement/Direct Award" threshold for goods and service AND public improvement contracts is increased from \$10,000 to \$25,000.

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2. The Intermediate Procurement threshold for goods and service contracts is increased from \$150,000 to \$250,000. A similar increase was not adopted for public improvement contracts, resulting in different thresholds for Division 47 and 49 intermediate procurements yet again.

3. Divisions 46 and 49 of our updated 2023 Rules now extends the service-disabled veteran preference to all veterans. In sum, a business must be 51% owned by a qualifying veteran, the owner must manage the day-to-day operation of the enterprise, and the business must have annual revenues below \$23.98 million. However, as with all preferences, consult ORS 200.005 to determine exactly who qualifies.

4. Rule 137-046-0300(5) now allows, but does not require, a public contracting agency to grant a 5% preference to a for-profit business which considers its impact on society and the environment (known as a certified B-Corp.)

5. Our Rules continue to track state law so that demolition contracts and those for the removal of hazardous waste expressly fall within the definition of the term "public works."

6. For those of you who have not adopted rules since 2019, another helpful update allows your District to use price information in architect/engineer consultant (i.e. Division 48) selection procedures.

As your District last updated in 2006, our full packet update is \$750. Our 2023 Public Contracting Rules packet includes an explanatory letter, updated Rules, an adopting resolution, and accompanying findings for a flat fee.

Please contact Carrie Connelly (chc@localgovtlaw.com) or Kim Dahlgren (kimd@localgovtlaw.com) if your District wishes to purchase a 2023 public contracting packet from our office.

Sincerely yours,

Carrie Connelly

Carolyn H. Connelly
chc@localgovtlaw.com

CHC:kad

RESOLUTION NO. 2024-0216 WD

JOINT RESOLUTION OF THE BOARD OF DIRECTORS AND LOCAL CONTRACT REVIEW BOARD OPTING OUT OF THE ATTORNEY GENERAL'S MODEL PUBLIC CONTRACTING RULES AND AMENDING PUBLIC CONTRACTING RULES FOR THE ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT

WHEREAS, it is the policy of the Arch Cape Domestic Water Supply District (District) that a sound and responsive public contracting system should allow impartial, meaningful, and open competition, preserving formal competitive selection as the standard for public contracts unless otherwise specifically exempted herein, by state law, or by subsequent ordinance or resolutions; and

WHEREAS, the District wishes to opt out of the Public Contracting Model Rules adopted by the Attorney General under ORS subchapters 279A, 279B, and 279C, as set forth in Oregon Administrative Rules Chapter 137, Divisions 46, 47, 48 and 49 (the "Model Rules") and adopt its own rules; and

WHEREAS, as permitted by statute, the District's Board wishes to continue as its Local Contract Review Board; and

WHEREAS, in 2016, the Board updated its rules via Resolution No. 16-01 WD; and

WHEREAS, since then state law has changed in ways requiring further updates to accommodate changes in Oregon's public contracting code; and

WHEREAS, District recognizes it may exempt certain public improvement contracts or classes of such contracts under ORS 279C.335; and

WHEREAS, the District Board additionally requests that the District's Local Contract Review Board approve the amendments to various classes of special procurements set forth in the attached rules, based upon the findings set forth in Exhibit A to this Resolution.

NOW, THEREFORE, it is resolved as follows:

1. The District Board of Directors (District Board) shall continue as the Local Contract Review Board of the District and shall have all of the rights, powers and authority necessary to carry out the provisions of Chapters 279A, 279B, and 279C (the "Public Contracting Code") and attached Rules. Except as otherwise provided in this Resolution, the definitions established in the attached Rules apply herein. The term "Contracting Agency" as used in the attached Rules includes Contracting Agency's chief administrative officer, his or her designee, or any other purchasing agent designated by

District policy. Those individuals are hereby designated as District's Contracting Agency and may exercise all authorities, powers and duties granted to a Contracting Agency under the Public Contracting Code and attached Rules, unless otherwise established by District policy.

2. The above recitals and Exhibit A are hereby adopted by the District Board, sitting as the Local Contract Review Board, as findings of fact supporting approval of the District Board's request for amendments to classes of special procurement and public improvement contract exemptions.

3. The Model Rules adopted by the Attorney General pursuant to ORS 279A.065, including any implementing Oregon public contracting amendments from the 2023 legislative session, do not and will not apply to District. Instead, the District hereby prescribes the following Rules, which include portions of the Attorney General's Model Rules, as the Rules of Procedure that the District will use for its public contracting: Public Contracting Rules Chapter 137, Divisions 46, 47, 48 and 49. While the numbering of these Rules reflects the numbering system of the Attorney General's Model Rules, they incorporate District changes to the Model Rules, and, therefore, are not the Attorney General's promulgated administrative rules. District exemptions are also set forth in these Rules, as numbered Exemptions 1 through 18 (E-1 through E-18). All above-referenced Rules are attached to this Resolution as Exhibit B, and incorporated herein by this reference.

4. In accordance with ORS 279A.065(6)(b), the District shall review its Public Contracting Rules adopted herein each time the Attorney General modifies its Model Rules to implement Oregon Public Contracting Code amendments adopted after the 2023 legislative session in order to determine whether amendments are required to ensure statutory compliance.

5. Amendments to these Rules and new rules shall be adopted in accordance with this Resolution and the Public Contracting Code. Special procurement requests and approvals shall be made in accordance with Division 47 of the attached Rules and ORS 279B.085. Public improvement contract exemption procedures, including notice and public hearing requirements, shall be made in accordance with Division 49 of the attached Rules and ORS 279C.335.

6. The Model Cost Accounting Guidelines developed by the Oregon Department of Administrative Services pursuant to Section 3, Chapter 869, Oregon Laws 1979 are hereby adopted as the District's Cost Accounting System to apply to public improvement projects exceeding \$5,000 and constructed with District's own equipment or personnel. ORS 279C.310. For such public improvement projects estimated to cost more than \$200,000, or for certain road maintenance projects exceeding \$125,000, District shall also comply with the requirements of ORS 279C.305.

7. All previously adopted resolutions, including Resolution No. 16-01 WD, establishing public contracting rules for District are hereby repealed.

DATED this ____ day of _____, 20__.

_____, President
Board of Directors

_____, President
Local Contract Review Board

ATTEST:

ATTEST:

_____, Secretary
Board of Directors

_____, Secretary
Local Contract Review Board

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Calendar of Events - Topic Description
February 15, 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**

Month	Day / Time	Event	Focus / Intent
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 st	Audit Submission	Previous FY Audit to be submitted to Secretary of State
	March 2nd 10 AM Fire Station	Community Forum	State of the Districts – Utilities and Decision Making Process for Paying for Forest-Watershed
	March 6 th 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 th 4:00 Zoom	Budget Meeting In person with Zoom	1 st meeting - District Manager presents budget and first round of discussion
April	April 18 th 4:00 Zoom	Budget Meeting In person with Zoom	2 nd meeting – Refinement of Budget
	April 18 th	Board Meeting	Distribute forms for District Manager Performance Evaluation
May	May 1 st 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 th 4:00 Zoom	Budget Meeting In person with Zoom	3 rd Meeting – Final refinement and approval of Budget
	May 16 th	Board Meeting	Approve Budget

February 2024 Staff Report

Major accomplishments:

Sanitary

1. Completed deep clean of both digester basins. Pictures provided. We removed over 3200 gallons of built-up sludge that clogged the air diffusers. This required multiple agency resources to complete and was also our first confined space entry project with Logan.
2. Hired D&D forestry to clear approximately 12 downed trees over irrigation laterals at irrigation site. Successfully cleared the laterals which will allow us to provide much needed maintenance services to the system while we prepare to open the site for the 2024 season.
3. Submitted successfully 90% of our annual DEQ compliance reporting documents and have received indications that we are in line with compliance requirements.
4. Successfully performed a biannual chemical cleaning procedure on MBR 2. This was Logans first learning session on how to perform this procedure and is critical to the performance of the membranes. The clean went very well and we are seeing great improvement on filter performance.

Water

1. Annual valve exercising / maintenance is underway. We have exercised 56 valves so far. There is a total of 136 to do.
2. I have officially started the EPA's lead service line (mandatory) tracking project. I am attacking this with available data first, then we will move to physical inspections as needed.
3. Internet – STARLINK has been ordered for the water plant to provide internet service. Thank you to Bob Cerelli and Bill Campbell for bringing in community member Matt Miller with a unit for us to try out, onsite at the plant before we made the purchase of the hardware for Arch Cape Water District.

Water / Sanitary

1. Attended a lunch gathering and networking event hosted by Karen LaBonte, Cannon Beach Public Works Director. Presented information on behalf of DEQ certifications division (that I am partnered with) to better grow our educational opportunities and access to certifications for our industry. I also utilized the opportunity to network with 7 other public works directors of neighboring cities to seek advice and references for information technologies personnel / staffing.
2. **I would like to stress to everyone the importance and priority of resources in time, talent and finances that we need in an effort to update and maintain our information technologies infrastructure. We are actively seeking entire systems upgrade to include hardware, software and a contractual staff member to perform the work and maintain the systems ongoing. One of our mandatory projects from the Oregon Health Authority is reliant on this upgrade, highlighting another reason why we need to continue to pursue this aggressively.**
3. Building of the budgets (both) is very much underway at this point and multiple meetings are, and continue to take place “behind the scenes” to build and have ready to present at the March 26th, 2024 meeting, the two budgets in draft 1 form.

**Amended Governance Section - Topic Description
February 15, 2024**

Action / Information: Action

Background

Per the District's contract with Oregon Department of Forestry (ODF), the District is 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.

The proposed Amendment was posted for Public Comment from January 19 through February 2. No comments were received.

Next steps:

- 1) Hold a Public Hearing on the Amendment at the Board Meeting
- 2) Revise / Adopt the Amendment to the Multi-Resource Management Plan
- 3) Submit the Amendment to ODF the next time that the Plan is formally submitted to them for review

Board Objective - Action

Motion: "Adopt the Proposed Amendment to replace the Governance section of the Multi-Resource Management Plan"

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 ***

Proposed Amended Governance Section

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. Those committees were tasked by the Board with recommending the following:

- A. Operational Phases of the Arch Cape Forest
- B. Management Roles
- C. Management Responsibilities

In February 2024, the Board adopted the recommendations of the Committee’s as follows.

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.

ACTIVITIES	Improvement Phase		Ongoing Phase
	Management Role	Advisory Role	Management 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.

Purple highlight - needs to be done by District Staff starting March 1 2024

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.