



**ARCH CAPE SANITARY DISTRICT
BOARD OF COMMISSIONERS MEETING**

Thursday, January 16, 2025 at 5:00 pm

Meeting to be held via Zoom only

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

- I. Call to Order
- II. Public Comments Casey
- III. Agenda Approval (Action – Motion to Approve) Casey
- IV. Approve November 21 Meeting Minutes (Action – Motion to Approve) Casey
- V. F&A Reporting
 - a. December Budget vs. Actual Report Teri
 - b. November & December Payment of Accounts Teri
 - c. Treasurer’s Report Darr
- VI. Resolution #25-0101 SD, Authorizing Short-Term Borrowing Between Districts (Action Requested – Motion to approve Resolution) Casey
- VII. Resolution #25-0102 SD, FY 2024-25 Supplemental Budget – PUBLIC HEARING (Action Requested Motion to approve Resolution) Casey
- VIII. Updated IGA with Cannon Beach, to provide mutual assistance (Action requested – Authorize Board President to sign) Casey
- IX. Review of Calendar of Upcoming Events (Information) Casey
- X. Reports
 - a. Staff Report Matt
 - b. Project Updates Matt
 - c. Board Members’ Comments All
- XI. Upcoming Meetings
 - a. February Agenda Items Casey
- XII. Public Comments
- XIII. Adjourn



**ARCH CAPE SANITARY DISTRICT
BOARD OF COMMISSIONERS MEETING
Thursday, November 21, 2024; 5:00 pm**

Pursuant to notice posted, the regular monthly Board Meeting for the Arch Cape Sanitary District was held in person at The Fire Hall, Arch Cape and via Zoom.

In attendance: Sanitary District: Casey Short, Chair, Darr Tindall, Thomas Mattia, Mark Engberg, Absent: Steve Hill. Staff: Matt Gardner, Teri Fladstol, Admin. Public: Peter & Judy Cooper, Bill Campbell, Madeline & Trevor Stewart,

Call to Order: 5:00 pm by Casey Short

Public Comments: None

Agenda Approval: Motion by Darr Tindall to approve the Agenda as presented, Second by Mark Engberg, motion carried.

October 17, 24 Meeting Minutes: Motion by Tom Mattia to accept the minutes as presented, Second by Darr Tindall, motion carried.

Darr Tindall gave treasurer's report, accounts are reconciled.

Request Wavier of Connection Charge: Memo from Casey in the Board Packet regarding the Beck property with payments to the County for a connection fee from 1976 to 1987, we have no records to show that fee. It was not an SDC charge as they were not authorized until 1998 and our attorney and since no improvements were not made to the property, then development would require the SDC charges. Madeline and Trevor Stewart shared their process so far in purchasing the property and that they will be developing sooner than later. Motion to waive the connection fee of \$200.00 by Tom Mattia, Second by Darr Tindall.

Motion by Mark Engberg to adopt Resolution 24-1101 SD Amending Water Leak Policy, Second by Tom Mattia. Motion Carried.

RECESS: Board Meeting at 5:16 pm

CALL TO ORDER: Contract Review Board at 5:17 pm to discuss the Sole-Source Procurement for Computerized Electronic Components for Sewer Plant (SCADA) system and to put in an additional computer in the lab. Industrial Systems is the vendor to hire given their expertise, current work with the Water District. Roll Call – 4 ayes.

RECESS: Contract Review Board at 5:20 pm

RECONVENE: Board Meeting at 5:20 pm

Motion by Tom Mattia to adopt Resolution 24-1102 Adopting Findings of Fact and Authorizing a Sole-Source Procurement, Second by Darr Tindall. Motion Carried.

Motion by Mark Engberg to adopt Resolution 24-1103 Amending the 2024-25 Budget to move funds from contingency to capital outlay to pay for the Computerized Equipment. Second by Tom Mattia, Motion Carried.

Local Option Level has passed 73/72 at this point. We are going to move forward, and we are looking into next steps. Motion by Tom Mattia to allow Board Chair to work with Water District Board Chair to put together a plan and seek funding options. Second by Darr Tindall, Motion carried.

Staff Report & Project Updates by Matt Gardner, District Manager – Webb Avenue Project is waiting on parts so contractors are gone until parts arrive; they are within 6 weeks of finishing and will return to the project as soon as parts arrive.

Board Members Comments and Reports: Happy Thanksgiving

Upcoming Meeting: Personnel Committee Meeting on December 19th or date that works for both Districts. Casey will contact Board Members to determine the best date to hold a meeting.

Public Comments: None

Motion to adjourn meeting by Tom Mattia, second by Darr Tindall – adjourned at 5:46pm

Respectfully submitted,

Teri Fladstol, Secretary

Teri Fladstol, Secretary

Attest:

Casey Short, Chair

AC Sanitary District
Budget vs. Actuals: FY 2024-25 Budget Overview - FY25 P&L Classes
 July 2024 - June 2025

	Quarter 1		Oct 2024		Nov 2024		Dec 2024		Total		
	Budget	Actual	%	Actual	%	Actual	%	Actual	%	Actual	%
Total 01-4000 RESOURCES - GENERAL FUND	\$ 291,723	\$ -		\$ -		\$ -		\$ -		\$ 291,723	100.0%
01-4100 REVENUE											
01-4201 Base Rate Meter Sales	\$ 374,126	\$ 83,197	22.2%	\$ 22,020	5.9%	\$ 26,997	7.2%	\$ 37,666	10.1%	\$ 169,879	45.4%
01-4202 Overage/Excess Usage	\$ 37,413	\$ 6,172	16.5%	\$ 8,012	21.4%	\$ 6,561	17.5%	\$ 2,012	5.4%	\$ 22,757	60.8%
01-4203 Debt Service	\$ 38,556	\$ 8,471	22.0%	\$ 2,324	6.0%	\$ 2,542	6.6%	\$ 3,637	9.4%	\$ 16,973	44.0%
01-4300 Interest Income - General Fund	\$ 2,000	\$ 5,363	268.2%		0.0%		0.0%		0.0%	\$ 5,363	268.2%
01-4400 WD Facilities Use Charge	\$ 3,750		0.0%		0.0%		0.0%		0.0%		0.0%
Total 01-4100 REVENUE	\$ 455,845	\$ 103,203	22.6%	\$ 32,355	7.1%	\$ 36,100	7.9%	\$ 43,314	9.5%	\$ 214,972	47.2%
01-6000 REQUIREMENTS - GENERAL FUND											
01-6100 Materials & Services											
01-5999 Inter-Govern Agreement (IGA)	\$ 195,937	\$ 54,328	27.7%	\$ 9,259	4.7%	\$ 10,715	5.5%	\$ 7,845	4.0%	\$ 82,148	41.9%
01-6120 Liability & Property Insurance	\$ 18,500	\$ -	0.0%		0.0%	\$ 32	0.2%		0.0%	\$ 32	0.2%
01-6121 Licenses	\$ 3,600	\$ -	0.0%	\$ 368	10.2%		0.0%		0.0%	\$ 368	10.2%
01-6122 Dues & Taxes	\$ 3,000	\$ 4,036	134.5%	\$ 766	25.5%	\$ 3,099	103.3%	\$ 363	12.1%	\$ 8,263	275.4%
01-6123 Professional Services	\$ 5,000	\$ 373	7.5%		0.0%		0.0%		0.0%	\$ 373	7.5%
01-6124 Emergency Sanitation	\$ 500	\$ -	0.0%		0.0%		0.0%		0.0%	\$ -	0.0%
01-6125 Auditing Service	\$ 10,000	\$ 14,000	140.0%		0.0%		0.0%	\$ 4,000	40.0%	\$ 18,000	180.0%
01-6126 Legal Services	\$ 5,000	\$ 1,416	28.3%		0.0%		0.0%	\$ 570	11.4%	\$ 1,986	39.7%
01-6127 Notices	\$ 700	\$ -	0.0%		0.0%		0.0%		0.0%	\$ -	0.0%
01-6128 Utilities	\$ 49,500	\$ 13,584	27.4%	\$ 3,821	7.7%	\$ 3,787	7.7%	\$ 6,876	13.9%	\$ 28,069	56.7%
01-6200 Maintenance	\$ 150,000	\$ 8,240	5.5%	\$ 10,902	7.3%	\$ 7,311	4.9%	\$ 11,214	7.5%	\$ 37,668	25.1%
01-6201 Chemicals	\$ 7,000	\$ 688	9.8%	\$ 771	11.0%	\$ 1,750	25.0%		0.0%	\$ 3,209	45.8%
01-6202 Inflow & Infiltration	\$ 2,000	\$ -	0.0%		0.0%	\$ 862	43.1%		0.0%	\$ 862	43.1%
Total 01-6100 Materials & Services	\$ 450,737	\$ 96,665	21.4%	\$ 14,986	3.3%	\$ 27,556	6.1%	\$ 30,868	6.8%	\$ 180,977	40.2%
01-7500 Debt Service - General Fund											
01-7510 OECD Facility Loan - Principle	\$ 16,900	\$ -	0.0%		0.0%		0.0%		0.0%	\$ -	0.0%
01-7511 OECD Facility Loan - Interest	\$ 2,419	\$ -	0.0%		0.0%		0.0%		0.0%	\$ -	0.0%
01-7520 IFA Loan/Grant - Imprinciple	\$ 13,499	\$ -	0.0%		0.0%		0.0%	\$ 13,499	100.0%	\$ 13,499	100.0%
01-7521 IFA Loan/Grant - Interest	\$ 5,884	\$ -	0.0%		0.0%		0.0%	\$ 5,884	100.0%	\$ 5,884	100.0%
Total 01-6000 REQUIREMENTS - GENERAL FUND	\$ 489,439	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 19,383	4.0%	\$ 19,383	4.0%
01-8000 Contingency & Unapp Bal - General Fund											
01-8001 Contingency - General Fund	\$ 100,000	\$ -	0.0%		0.0%		0.0%		0.0%		0%
01-8100 USDA Loan Required Reserve	\$ 6,923	\$ -	0.0%		0.0%		0.0%		0.0%		0%
Total 01-8000 Contingency & Unapp Bal - General Fund	\$ 258,128	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0%
Total Requirements General Fund	\$ 747,567	\$ 96,665	12.9%	\$ 14,986	2.0%	\$ 27,556	3.7%	\$ 50,251	6.7%	\$ 200,360	26.8%

	Quarter 1		Oct 2024		Nov 2024		Dec 2024		Total		
	Budget	Actual	%	Actual	%	Actual	%	Actual	%	Actual	%
02-4000 RESOURCES - CAPITAL FUND											
02-4001 Beginning Bal - Capital Fund	\$ 200,382	\$ -	0.0%		0.0%		0.0%		0.0%	\$ 200,382	100.0%
02-4100 REVENUE - Capital Fund											
02-4200 SDC Revenue	\$ 20,092	\$ -	0.0%		0.0%		0.0%		0.0%	\$ 20,092	100.0%
02-4800 Grant Revenue - Capital Fund	\$ 297,000	\$ -	0.0%		0.0%		0.0%		0.0%	\$ 297,000	100.0%
Total 02-4100 REVENUE - Capital Fund	\$ 317,092	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 517,474	163.2%
02-6000 REQUIREMENTS - CAPITAL FUND											
02-7000 Scada	\$ 30,000						\$ 206			\$ 206	
02-7100 Webb Lift Station	\$ 372,000	\$ 33,831	9.1%	\$ 163,288	43.9%	\$ 3,313	0.9%	\$ 141,601	38.1%	\$ 342,032	91.9%
Total 02-6000 REQUIREMENTS - CAPITAL FUND	\$ 402,000	\$ 33,831	8.4%	\$ 163,288	40.6%	\$ 3,313	0.8%	\$ 141,807	35.3%	\$ 342,239	85.1%
02-8001 Contingency - Capital Fund	\$ 95,000	\$ -	0.0%		0.0%		0.0%		0.0%	\$ -	0.0%
02-8500 Unappropriated Bal - Capital	\$ 20,474	\$ -	0.0%		0.0%		0.0%		0.0%	\$ -	0.0%
Total Requirements Capital Fund	\$ 517,474	\$ 33,831	6.5%	\$ 163,288	31.6%	\$ 3,313	0.6%	\$ 141,807	27.4%	\$ 342,239	66.1%
03-4000 RESOURCES - GO BOND DEBT FUND											
03-4001 Beginning Bal - Go Bond Debt Fund	\$ 11,207				0.0%		0.0%		0.0%	\$ 11,207	100.0%
03-4750 LGIP - Additions - SD Go Bond		\$ -	0.0%							\$ -	
Total 03-4000 RESOURCES - GO BOND DEBT FUND	\$ 11,207	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 11,207	100.0%
03-4100 REVENUE - GO BOND DEBT FUND											
03-4200 Bond Proceeds	\$ 144,600	\$ 7,989	0.0%	\$ -	0.0%		0.0%		0.0%	\$ 7,989	5.5%
Total Resources	\$ 155,807	\$ 7,989	5.1%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 7,989	5.1%
03-6000 REQUIREMENT - GO BOND DEBT FUND											
03-7510 USDA Plant Upgrade - Principle	\$ 77,058	\$ -	0.0%	\$ -	0.0%		0.0%		0.0%	\$ -	0.0%
03-7511 USDA Plant Upgrade - Interest	\$ 67,542	\$ -	0.0%	\$ -	0.0%		0.0%		0.0%	\$ -	0.0%
Total 03-6000 REQUIREMENT - GO BOND DEBT FUND	\$ 144,600	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
03-8000 Contingency & Unapp Bal - GO BOND Debt Fund											
03-8500 Unappropriated Balance GO	\$ 11,207	\$ -	0.0%	\$ -	0.0%		0.0%		0.0%		0.0%
Total Requirements GO BOND	\$ 155,807	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%

AC Sanitary District Check Detail

November - December, 2024

Date	Transaction Type	Num	Name	Amount
11/07/2024	Check	9270	Pacific Power	(3,628.02)
11/07/2024	Check	9268	General Utilities Co	(1,310.00)
11/07/2024	Check	9269	IDEXX	(328.98)
11/13/2024	Check	9271	Pollard Water	(688.19)
11/13/2024	Check	9272	Aquionics	(1,320.30)
11/13/2024	Check	9273	Curran McLeod	(2,918.75)
11/13/2024	Expense	Tfr	Arch Cape Water District	(8,000.00)
11/14/2024	Check	9218	SDAO	(369.00)
11/14/2024	Expense		Returned Check	(288.00)
11/18/2024	Expense	EFT	Amazon.com	(14.99)
11/21/2024	Check	9274	Recology Western Oregon	(60.85)
11/21/2024	Check	9275	gWorks	(2,730.00)
11/21/2024	Check	9276	SDIS	(32.00)
11/21/2024	Check	9277	City of Cannon Beach	(515.63)
11/21/2024	Check	9278	Ferguson Waterworks	(861.61)
11/21/2024	Check	9279	Xylem Water Solutions USA	(3,449.40)
11/21/2024	Expense	EFT	Microsoft	(8.25)
11/23/2024	Expense	EFT	Google Domains	(1.99)
11/24/2024	Expense	EFT	AT&T Mobility	(98.42)
11/26/2024	Check	9280	Arch Cape Water District	(10,715.22)
11/26/2024	Check	9281	Cascade Columbia Distribution	(1,234.62)
11/26/2024	Check	9282	Bob McEwan Construction	(484.45)
11/26/2024	Expense	EFT	QuickBooks Payments	(99.00)
11/29/2024	Expense	EFT	1st Security Bank	(10.00)
12/02/2024	Expense	EFT	Spectrum Business	(259.96)
12/03/2024	Check	9283	Eileen Eakins NW Local Government Legal A	(570.00)
12/05/2024	Check	9284	IFA - OR Business Development Fiscal Serv	(19,383.23)
12/05/2024	Check	9285	Industrial Systems	(206.38)
12/05/2024	Check	9286	Recology Western Oregon	(60.85)
12/05/2024	Check	9287	Pacific Power	(311.49)
12/05/2024	Check	9288	City of Seaside	(2,550.00)
12/05/2024	Expense	EFT	Safeway	(17.88)
12/09/2024	Check	9289	Accuity, LLC	(4,000.00)
12/09/2024	Check	9290	Curran McLeod	(2,645.00)
12/09/2024	Check	9291	NAPA Auto Parts	(139.93)
12/11/2024	Check	9292	DSL Builders, LLC	(112,385.00)
12/12/2024	Check	9293	Pacific Power	(6,243.81)
12/12/2024	Check	9294	SDIS	0.00
12/12/2024	Check	9295	RV Resort of Cannon Beach	(7.25)
12/18/2024	Check	9296	Aquionics	(1,029.70)
12/18/2024	Check	9297	Peterson - CAT	(3,323.00)

12/18/2024	Check	9298 VAG USA	(832.73)
12/18/2024	Expense	EFT Amazon.com	(14.99)
12/19/2024	Check	9299 DSL Builders, LLC	(29,687.50)
12/19/2024	Check	9300 Oregon Department of Forestry Unit 12	(230.51)
12/21/2024	Expense	EFT Microsoft	(8.25)
12/23/2024	Expense	EFT Google Domains	(1.99)
12/26/2024	Expense	EFT QuickBooks Payments	(99.00)
12/27/2024	Expense	Returned Check	(288.00)
12/27/2024	Expense	EFT Columbia Bank	(10.00)
12/29/2024	Check	9301 Arch Cape Water District	(7,845.38)
12/29/2024	Check	9302 Eds Septic	(2,450.00)
12/30/2024	Check	9303 Clatsop County Clerk	0.00
12/30/2024	Check	9304 Walter E. Nelson	(193.73)
12/30/2024	Check	9305 RV Resort Cannon Beach	(535.57)
12/30/2024	Expense	EFT Spectrum Business	(259.96)
12/31/2024	Expense	EFT 1st Security Bank	(10.00)
12/31/2024	Expense	EFT Costco	(24.99)

**Resolution for Short-Term Borrowing between Districts - Topic Description
January 16, 2025**

Action / Information: Action

Background

From time-to-time, the Districts may have need to borrow from each other to meet short term cash flow needs.

Example:

Grants required eligible expense to be paid by the District within 30 days of receipt. Evidence of contractor receipt of funds must be received by the District and submitted as part of the grant reimbursement request. From that point, reimbursement could be at least 30 days out. These reimbursement checks can be tens of thousands of dollars.

It is possible that another significant payment is due to a contractor before a previously submitted reimbursement has been received.

There was a need last November for monies to be withdrawn from the Water District Operating Fund (until the next banking business day) to pay for a Sanitary District expense.

A phone call was received from the bank saying the Sanitary checking account would be overdrawn if a check cleared w/o a deposit into the checking account. Since it was Thursday afternoon and a transfer from Sanitary's LGIP would not process until Monday, the suggestion was to move funds from Water checking account to Sanitary checking out and then back. This will result in an audit error as there was no resolution in place.

Board Motion

Authorize Board Chair to Sign Resolution 25-0101 SD

ARCH CAPE SANITARY DISTRICT
RESOLUTION 2025-0101 SD, SHORT TERM BORROWING BETWEEN DISTRICTS

A RESOLUTION FOR SHORT-TERM BORROWING BETWEEN THE ARCH CAPE SANITARY DISTRICT AND THE ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT

WHEREAS The Arch Cape Sanitary District is an Oregon Municipal Corporation defined as a Special District under ORS 198 and organized under ORS 450.005 to 450.245 to provide sanitation services and facilities to the Arch Cape area;

WHEREAS The Arch Cape Domestic Water Supply District is an Oregon Municipal Corporation defined as a Special District under ORS 198 and organized under ORS 264 to supply domestic water to the Arch Cape area;

WHEREAS The Arch Cape Sanitary District and the Arch Cape Domestic Water Supply District may each make contracts, dispose of property and do all other acts which may be convenient in carrying out the objects of the district;

WHEREAS The Arch Cape Sanitary District and Arch Cape Water District are each authorized pursuant to ORS 450.075(7) to incur short-term indebtedness from time to time by issuing a short-term promissory note to meet current expenses (ORS 287A.180);

NOW, THEREFORE, BE IT RESOLVED:

That the Board of Directors of the Arch Cape Sanitary District is authorized, from time to time, to loan funds to the Arch Cape Water District on a short-term basis secured by promissory notes on terms and in amounts as are necessary for the operation of the Arch Cape Domestic Water Supply District and which comply with the requirements of ORS 287A.180, and

That the Board of Directors of the Arch Cape Sanitary District is authorized, from time to time, to borrow funds from the Arch Cape Water District on a short-term basis secured by promissory notes on terms and in amounts as are necessary for the operation of the Arch Cape Sanitary District and which comply with the requirements of ORS 287A.180, and

BE IT FURTHER RESOLVED

That the Sanitary District Board President is authorized to sign, or authorize another Board member to sign, a promissory note to loan to or borrow funds from the Water District in a form substantially similar to that in Exhibit A (attached).

ADOPTED this 16th day of January, 2025 BY:

Casey Short, Board President

Teri Fladstol, District Secretary

EXHIBIT A

PROMISSORY NOTE

\$ _____,000

Arch Cape, Oregon

_____, 20xx

Arch Cape _____ District hereby promises to pay to the order of Arch Cape _____ District in equal monthly installments of \$ _____, with the first installment due _____ 20xx and subsequent installments due on the 1st day of each month until paid.

*** * * * However many Thousand Nine Hundred and no/100 * * * * *(\$XXX,000)**

Any balance due under this note will bear interest at the rate of the average daily interest rate in the lending District's LGIP account from the date of this note until paid.

If suit or action is filed hereon to collect any of the above payments, the prevailing party thereon shall be entitled to reasonable attorney fees to be fixed by the trial court.

The makers may not pay this note or any portion thereof without penalty.

Dated this _____ day of _____, 20xx.

Resolution for Supplemental Budget - Topic Description
January 16, 2025

Action / Information: Action

Background

The 24-25 budget includes an appropriation of \$372,000 for the Webb Lift Station Replacement. Sometime after the start of the fiscal year we learned that the estimate had increased to \$555,000, for which we expected the State Emergency Management grant to cover 95% of the revised cost. The State came through on that pledge, so additional cost to the Sanitary district is minimal – only 5% on the increased cost, a bit under \$10,000..

Local Budget Law requires a Supplemental Budget if total expenditures increase more than 10%. This increase is well over 10% of the original Capital Fund budgeted spending of \$372,000. (We did increase the budget by \$30,000 with a budget amendment in November.) The only significant difference between a Supplemental Budget and a simple budget amendment is the requirement for a public hearing, which will be conducted with our consideration of the Resolution.

The impact of this action on the Capital Fund budget actually produces an increase in the expected Ending Fund Balance, as the adopted budget did not include 95% of the expected \$372,000 cost to be covered by grant funds – it was over \$60,000 short. We would still have gotten the grant money but would have had to amend the budget anyway to account for the additional revenue. The net result of all this is an increase in the budgeted ending balance of a bit more than \$47,000.

Board Motion

Authorize Board Chair to Sign Resolution 25-0102 SD

ARCH CAPE SANITARY DISTRICT
RESOLUTION 25-0102 SD, APPROVING A SUPPLEMENTAL BUDGET FOR FY 2024-25

WHEREAS, The budgeted estimate for the Arch Cape Sanitary District (“District”) project to replace the Webb Avenue Lift Station has increased by \$183,000, from \$372,000 to \$555,000, since the FY 2024-25 budget was adopted; and

WHEREAS, The State of Oregon Department of Emergency Management pledged a grant of 95% of the original project cost, and has advised the District it will fund that same percentage of the project at the increased cost of \$555,000; and

WHEREAS, Oregon Local Budget Law in ORS 294.473 provides that a local government may increase a Fund’s appropriations by adopting a Supplemental Budget if “[a]n occurrence or condition that is not ascertained when preparing the original budget . . . for the current year . . . requires a change in financial planning”; and

WHEREAS, ORS 294.473 also provides that a Supplemental Budget may be adopted in the event that “[f]unds that are made available by another unit of federal, state or local government and the availability of which could not be accurately estimated when preparing the original budget. . . .”; and

WHEREAS, Both situations cited above apply to the Webb Lift Station project; and

WHEREAS, The current budget underestimated the grant revenue to be received, and correcting this error will produce an increase in the Unappropriated Fund Balance;

NOW THEREFORE, BE IT RESOLVED by the Arch Cape Sanitary District Board of Directors that the FY 2024-25 Budget in the Capital Fund be increased as shown in Attachment A, which is incorporated as part of this Resolution.

ADOPTED this 21st day of November, 2024

BY:

ATTEST:

Casey Short, Board President

Teri Fladstol, District Secretary

ATTACHMENT A

FY 2024-25 CAPITAL FUND APPROPRIATION

AMENDED BUDGET

RESOURCES

<u>Beginning Fund Balance</u>	\$ 200,382
<u>Revenue</u>	
Grant Revenue	\$ 297,000
All Other Revenue	\$ 20,092
Total Revenue	\$ 317,092
<u>Total Resources</u>	<u>\$ 517,474</u>

EXPENDITURES

<u>Capital Outlay</u>	
Webb Lift Station	\$ 372,000
All Other Capital Outlay	\$ 30,000
Total Capital Outlay	\$ 402,000
<u>Total Appropriation</u>	<u>\$ 402,000</u>

Budgeted Contingency \$ 95,000

Unappropriated Balance \$ 20,474

BUDGET TOTAL **\$ 517,474**

BUDGET AS AMENDED BY THIS SUPPLEMENTAL BUDGET

RESOURCES

<u>Beginning Fund Balance</u>	\$ 200,382
<u>Revenue</u>	
Grant Revenue	\$ 527,500
All Other Revenue	\$ 20,092
Total Revenue	\$ 547,592
<u>Total Resources</u>	<u>\$ 747,974</u>

<u>Capital Outlay</u>	
Webb Lift Station	\$ 555,000
Wastewater Treatment Plant SCADA Upgrade	\$ 30,000
Total Capital Outlay	\$ 585,000
<u>Total Appropriation</u>	<u>\$ 585,000</u>

Contingency \$ 95,000

Unappropriated Balance \$ 67,974

BUDGET TOTAL **\$ 747,974**

INTERGOVERNMENTAL COOPERATIVE ASSISTANCE AGREEMENT

This Agreement is entered into, by and between the Arch Cape Domestic Water Supply District (ACDWS) Arch Cape Sanitary District (ACSD), and the City of Cannon Beach (CITY).

WITNESSETH:

WHEREAS, parties to this Agreement are responsible for the construction and maintenance of sewer related systems during routine and emergency conditions; and

WHEREAS, the parties owns and maintains equipment, and employs personnel who are trained to provide service in the construction, maintenance of, and operation of sewer systems and other support;

WHEREAS, each entity may need assistance to provide supplemental personnel, equipment, or other support; and

WHEREAS, it is necessary and desirable that this Agreement be executed for the exchange of mutual assistance, with the intent to supplement not supplant agency personnel;

WHEREAS, an Agreement would help provide documentation of the mutual assistance;

WHEREAS, the ACSD and the ACDWS operate under an intergovernmental agreement for staff support service providing that ACSD staff are employees of the ACDWS;

WHEREAS, ORS Chapter 190 provides for intergovernmental agreements and the appointment among the parties of the responsibility for providing funds to pay for expenses incurred in the performance of the agreed upon functions or activities;

WHEREAS, the CITY and ACSD enter into this cooperative agreement, to carry out this joint effort and work,

NOW THEREFORE, the parties agree as follows;

1) Term and Termination.

The effective date is: March 1, 2024, or upon final signature, whichever is later. This Agreement will continue until formally terminated.

Any party may terminate its participation in this Agreement as follows: 1) Written notice of intent to terminate 30 days prior to the effective date of the termination; and 2) Termination will not affect a party's obligation for payment arising prior to the termination of this Agreement.

2) Non-Exclusive Agreement.

This Agreement is not intended to be exclusive among the parties. Any party may enter into separate cooperative assistance of mutual aid agreements with any other entity. No such separate Agreement shall terminate any responsibility under this Agreement.

3) Independent Contractors.

Each party is an independent contractor with regard to the other party and agrees that no party has control over the work and the manner in which it is performed by another party. No party is an agent or employee of any other. Accordingly, a party's employees are covered under their own entity's workers' compensation coverage.

No party or its employees is entitled to participate in a pension plan, insurance, bonus, or similar benefits provided by any other party.

4) Modifications/Amendments.

Modifications to this Agreement are valid only if made in writing and signed by an authorized representative of each party.

5) Indemnification and Insurance.

Subject to the limitations of liability for public bodies set forth in the Oregon Tort Claims Act, ORS 30.260 to 30.300, and the Oregon Constitution, each party agrees to hold harmless, defend, and indemnify each other, including its officers, agents, and employees, against all claims, demands, actions and suits (including all attorney fees and costs) arising from the indemnitor's performance of this Agreement where the loss or claim is attributable to the negligent acts or omissions of that party.

Each party shall give the other parties immediate written notice of any action or suit filed or any claim made against that party that may result in litigation in any way related to this Agreement.

Each party agrees to maintain insurance levels or self-insurance in accordance with ORS 30.282, for the duration of this Agreement at levels necessary to protect against public body liability as specified in ORS 30.270.

6) Applicable Laws.

Each party agrees to comply with all local, state, and federal ordinances, statutes, laws and regulations that are applicable to the services provided under this Agreement.

7) Providing Assistance.

If confronted with a situation requiring personnel, equipment or material not available to it, the requesting party (Requestor) may request assistance from the party receiving the Request (Responder). To request assistance, the Requestor must send a written request to the individual identified in Section 16 of the Agreement or the successors for the Responder.

Upon receipt of such request, the Responder shall take the following action:

- a. Determine whether it has the personnel, equipment, or material available to respond to the request.
- b. Determine what available personnel and equipment should be dispatched and/or what material should be supplied.
- c. Dispatch available and appropriate personnel and equipment to the location designated by the Requestor.
- d. Provide appropriate access to the available material.
- e. Advise the Requestor in the event all or some of the requested personnel, equipment, or material is not available. Nothing in this Agreement requires the Responder to provide any requested assistance and Responder shall not be held liability in any capacity for not responding as requested.

8) Person In Charge and Supervision

The Person-in-Charge (PIC) of the personnel, equipment or material shall be designated by the Requestor, and shall be in overall control of the operations under whom the personnel, equipment, or materials of the Responder shall service. The personnel, equipment or materials of the Responder shall be under the immediate control of a supervisor of the Requestor. If the PIC specifically requests a supervisor of the Responder to assume control, the PIC shall not, by relinquishing control, relieve the Requestor of responsibility for the operation. "Supervision," as used in this section refers to conduct of the operation. Personnel participating in the operation

remain an employee, volunteer or independent contractor of the party that deployed them and are subject to the policies and procedures of that party.

Unless expressly authorized by the Requestor, a Responder, its officers, employees and agents, are not authorized to make any representation, enter into any agreement, waive any right, or incur any obligation in the name of, on behalf of, or as an agent for, the Requestor.

9) Documentation

The Responder shall document hours worked, and equipment or materials used or provided will be maintained on a shift-by-shift basis and provide such documentation to the Requestor as needed.

10) Release of Personnel, Equipment and Materials

All personnel, equipment and unused materials provided under this Agreement shall be returned to the Responder upon release by the Requestor, or on demand by the Responder.

Without prejudice to a Responder's right to indemnification above, compensation for damages to equipment shall be paid by the Requestor, subject to the following limitations:

- a. Maximum liability shall not exceed the cost of repair or cost of the replacement, whichever is less.
- b. No compensation will be paid for equipment damage or loss attributable to natural disasters or acts of God not related to the operation.
- c. To the extent of any payment under this section, Requestor will have the right of subrogation for claims against parties other than parties to this Agreement who may be responsible in whole or in part for damage to the equipment.
- d. Requestor shall not be liable for damage caused by the neglect of the Responder's operators.

11) Compensation

The Responder will be reimbursed (e.g. labor, equipment, materials and other related expenses as applicable, including loss or damage to equipment) at its adopted usual and customary rates, which are attached to this Agreement as Exhibit A. Compensation may include:

- a. Compensation for workers at the Responder's current pay structure, including call back, overtime and benefits.
- b. Compensation for equipment at Responder's established rental rate.
- c. Compensation for materials, at Responder's cost. Materials may be replaced at Requestor's discretion in lieu of cash payment upon approval by the Responder for such replacement.
- d. Within 30 days after presentation of invoices by Responder entitled to compensation under this section, Requestor will either pay or make mutually acceptable arrangements for payment.
- e. In situations when cost is shared for the execution of joint projects or work, each party will be responsible for the costs equitably distributed in proportion to the benefit.

Each party shall provide the other parties an updated Exhibit A every three (3) years, or upon rate increases.

12) Information Sharing.

Each party agrees to share utility information regarding capacities, regulatory limits, long-term planning, cost of operations and funding mechanisms. Confidential and sensitive information and vulnerability assessments are excluded from the agreement.

13) Maintenance.

Each party may request the other to participate in the implementation of joint efforts of system maintenance when such joint efforts may result in reduced cost to both parties. Examples may be sewer cleaning, testing, televising and repairs.

- 14) Complete Agreement. This writing is intended both as the final expression of the Agreement between the parties with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement..

- 15) Contact Information

The technical points of contact regarding this statement of work are as follows:

Karen La Bonte, Public Works Director
Public Works Department
City of Cannon Beach
P O Box 368
163 East Gower Street
Cannon Beach, OR 97110
Phone: (503) 436-8068
Fax: (503) 436-2050
Mobile: (503) 440-8579
Email: labonte@ci.cannon-beach.or.us

Matt Gardner
District Manager
Arch Cape Water and Sanitary Districts
32065 East Shingle Mill
Arch Cape, OR 97102
Phone: (503) 436-2790
Fax: (503) 436-1467
Mobile: (503) 812-7578
Email: mattgardneracutil@gmail.com

- 16) DEQ Reporting

For the purposes of reporting to the Oregon Department of Environmental Quality, Matt Gardner from the Arch Cape Sanitary District will be named as Wastewater Utility Specialist and the Responsible In-Charge operator for the City of Cannon Beach wastewater treatment plant and wastewater collection system in the absence of Michael Brown.

Signatory Authorities:

Casey Short
President Arch Cape Sanitary District

Date

Bill Campbell
President Arch Cape Domestic Water Supply District

Date

City of Cannon Beach
Bruce St. Denis, City Manager

Date



CITY OF CANNON BEACH

EXHIBIT A – Billable Rates

Billable Rates for Cannon Beach Support

	2024-25	2025-26	2026-27
Utility Specialist	\$75	\$80	\$82
Utility Worker II	\$68	\$72	\$75
Utility Worker I	\$60	\$63	\$65

Billable Rates for Arch Cape Support

	2024-25	2025-26	2026-27
Utilities Manager	\$93	\$98	\$103

**Calendar of Events - Topic Description
January 16, 2025**

Action / Information: Information

Background

March – May is typically 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. This year, February will also be a busy month.

Please book these dates into your calendars

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

Month	Day / Time	Event	Focus / Intent
February	Feb 15 – March 20	Budget Committee Formation	Post notices for budget committee members by February 15 Reach out to community to get at least 5 members who will be willing to serve on both District’s budget committee by March 15
	February 11th	Initial Review of RFP Submissions	Board Chairs, Vice-Chairs and Matt to vet received proposals against criteria and move forward qualified candidates
	February 13 th 4:30 – 5:30	Joint Personnel Committee Meeting	Select preferred 2 candidates for Interim District Administrator
	February 20th	Board Meeting	
March	March 20th	Board Meeting	
April	April 3 rd 4:00	Budget Meeting Zoom	1 st meeting – Presentation of budgets and first round of discussion
	April 17 th 4:00	Budget Meeting Zoom	2 nd meeting – Refinement of Budget
	April 17 th	Board Meeting	Distribute forms for District Manager Performance Evaluation
May	May 1 st 4:00	Budget Meeting Zoom	3 rd Meeting – Final refinement and approval of Budget
	May 15 th 3:30	Joint Personnel Committee Zoom	Executive Session: Performance Evaluation and Merit Increase Recommendation of District Manager; Recommend COLA Amount for Both Staff.
	May 15 th	Board Meeting	Approve Budget

PROJECT UPDATE

Active Projects:

Green: Completed this month. **Yellow:** Work has occurred this month. **No Color:** No work undertaken this month

Project	Objective	Status – January 2025
1. Replace Operations Control Electronics for the Water Plant	<p>Replace the computer electronics that allow the Operator to control the plant, secure that control function behind a firewall so as to minimize the risk of being hacked and update the software to comply with state reporting requirement. The primary control-interface panel broke several years ago and was not replaced and the “redundant” windows 7 computer is so antiquated that the vendor will not support the version of the software that is running on it. The software currently running does not comply with state requirements.</p> <p>This project is absolutely critical!</p>	<p>IN PROGRESS</p> <p>Rearrangement of the computer hardware and wiring is underway, with the intent to simplify and expedite use of the backup computer in urgent situations.</p> <p>The need for this was identified due to power outages caused by one of the recent storms</p>
2. Replace Webb Lift Station	<p>The Webb Lift Station, which is long past its serviceable life, is the final link in the sewer system that collects and sends all wastewater to the sanitary plant. This project will replace the building itself and all major components including pumps, controls, generator. The new lift station will provide more capacity to: a) support community growth, and b) allow more rainwater to enter the system as underground pipes age.</p> <p>This project is absolutely critical!</p>	<p>IN PROGRESS</p> <p>Construction of the lift station continues to be ahead of schedule</p> <p>The electrical work to bring power to the inside of the lift station building is being completed. Wires are being run to the appropriate locations in the walls to power the control panels, when they arrive.</p> <p>Snapshots of the progress can be viewed on the District’s web site (www.archcapewater.org and click on News & Updates) or click on this link. Click here</p>
3. Upgrade & Bring Current the Business/ Admin Computer and Data System	<p>Provide a standard, viable and secure Information Technology environment (computing, data, security and remote help support) that will run the Districts’ business functions and give authorized access to the Districts’ information.</p>	<p>COMPLETED</p>
4. Find, Compile, Electronically Store	<p>Find, pull together, electronically store/archive and provide secure access to the District documents , e.g.,</p>	<p>AS TIME ALLOWS</p>

Project	Objective	Status – January 2025
and Provide Access to Required Business Documents	contracts, ordinances, resolutions, minutes, etc. that are required by state law and rules to be maintained	<p>Review of existing electronic files is still underway for ordinances, resolutions, contracts, etc.</p> <p>The next step will be to create and implement a file management schema and procedures so that all computers will pull from and update the same documents. Implementing and populating this system will be a long-term task, given everything else that needs to be done.</p>
5. Implement an Asset Management System	This project is to use newly purchased software to identify and track the Districts’ plant & equipment maintenance requirements, generate work orders, monitor their completion and provide Management Reporting to the Boards	<p>JUST COMPLETED</p> <p>Initial set of management reports are now in production. The data schema used for capturing data is/will continue to be refined to maximize the usefulness of the information.</p>
6. Upgrade & Bring Current the Districts’ Web Site	This project is to migrate the current web site information to a platform that is more easily managed, supported and can be easily expanded with additional information and functions	COMPLETED
7. Inspect Water Lines for Lead	Federal mandate to inspect all lines that distribute water to meters to determine whether those lines contain lead	COMPLETED
8. Corrosion in Water Plant	The water plant was designed with fans to vent the marine air and the chlorine gas that is used to purify the water. Both of these elements, chlorine and marine air, are corrosive to metal components in mechanical valves, electrical circuits, etc. As it turns out, since the new plant was brought on-line 10 years ago, the fans have never been run and as such have themselves started to corrode. Furthermore, when a valve would begin to corrode, rather than replacing it, the corroded value would just be swapped for another valve in the plant that is less corroded.	<p>IN PROGRESS</p> <p>An additional fan was being installed at floor level to remove chlorine gas as it is heavier than air. Awaiting electrician to connect it.</p> <p>As time/resources allow, all componentry, pipes and fittings will be scrubbed back down to the original bare metal and restored to new like condition in order to establish a clean baseline. A first pass has been taken.</p> <p>Repair of the critical circuitry in the fuse panel will be repaired later this fiscal year or early</p>

Project	Objective	Status – January 2025
		next fiscal year as budget allows.
9. Replace Operations Control Electronics for the Sanitary Plant	Replace the computer electronics that allow the Operator to control the plant, secure that control function behind the recently installed firewall so as to minimize the risk of being hacked. The primary control-interface panel broke several years ago and was not replaced and the current computer has reached the end of its lifecycle.	<p>IN PROGRESS</p> <p>Software licenses for the control system software have been purchased. Installation scheduled for week of January 19..</p>
10. Move Asbury Creek Intake	<p>State mandated project to improve Asbury Creek conditions in order to encourage fish passage. Completion date: Fall 2027.</p> <p>District must move, 200 feet upstream, the point at which we take water from Asbury Creek. Once that is done, the State will remove/ replace the culvert under highway 101 with a bridge. District will then replace/ reroute current in-ground water main with one that is attached to the undercarriage of the bridge.</p> <p>Click here to see project description</p>	<p>IN PROGRESS</p> <p>Click here to see project plan</p>