

# ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT MINUTES

20 April 2018

A quorum was present.

Water Board: Ron Schiffman, Vice-President  
Debra Birkby, Treasurer  
Linda Murray  
Dan Seifer

Excused Absent: Virginia Birkby, President

Sanitary Board: Casey Short (non-voting)  
Darr Tindall (non-voting)

Public: Ben Dair, Sustainable Northwest  
David and Jeannie Stockton

Staff: Phil Chick, District Manager  
Steve Hill, Secretary

*Schiffman*  
Mr. Ron ~~Birkby~~ opened the meeting at 6:05pm.

**Public Comments:** Mr. David Stockton commented on the proposed support arrangement with Cannon View Park (CVP). He said that if the sharing of resources from the water district to CVP went beyond a temporary emergency situation that the board might wish to consider another cost sharing arrangement than the one provided for in the mutual support agreement.

**Agenda:** Mr. Seifer moved acceptance of the agenda which was seconded by Ms. Murray. All in favor. Motion carried.

**Consent Agenda:** Ms. Debra Birkby moved adoption of the consent agenda which was seconded by Ms. Murray. All in favor. Motion carried.

**Old Business:**

**Watershed Update:**

**Archcapeforest.org Publishing:** (Information) Mr. Phil Chick reported the archcapeforest.org website up and running and that he had received some training from Micah Cerelli Mastrandrea on how to make periodic updates.

**Northwest Community Forest Forum:** (Information) A celebration of community forest was to take place on Thursday, May 10, 2018 from 6:00 – 9:00pm at Fort George Brewery. Mr. Ben Hayes was reported to be organizing a panel on forest management planning. It was anticipated that a field tour would be scheduled at Arch Cape. The attendance fee for the forum would be \$211.00.

**Joint Timber Cruise & Finance Plan:** (Information) Consideration was given to conducting a joint timber cruise with the North Coast Land Conservancy (NCLC) to better determine value in expectation of entering into a purchase and sales agreement with ~~Eco-Forest Management (EFM)~~. Phil Chick reported that he, Ben Dair, and Jon Wickersham had been in contact with Zack Parisa of Silvia Terra, a company able through satellite imaging to provide cost effective estimates of the volume of standing timber, valuation and respective yields in place of a traditional appraisal on the ground. This data could then be used to determine individual plots to be scheduled for an on the ground cruise reducing the margin of error in developing these estimates.

**Outreach Coordinator Position RFP:** (Action) Mr. Seifer moved to authorize the District Manager to review the RFP (attached) timeline of tasks and make necessary adjustments which was seconded by Ms. Debra Birkby. All in favor. Motion carried.

**Schwabe Law Engagement:** (Action) Mr. Seifer moved to authorize the District Manager to execute the engagement letter (attached) dated March 13, 2018 on behalf of the district which was seconded by Ms. Murray. All in favor. Motion carried.

**Oregon DEQ Grant Contract #123-18:** (Action) Mr. Seifer moved that Ms. Debra Birkby take the DEQ Grant Contract #123-18 (attached) to Ms. Virginia Birkby for signature which was seconded by Ms. Debra Birkby. All in favor. Motion carried.

Mr. Ben Dair indicated that the district would need a contract with Sustainable Northwest. There would be no cost outside of grant funds.

**Property Insurance Report:** (Information) Mr. Steve Silva reviewed district property. Mr. Phil Chick recommends that we not insure the underground piping. Flood insurance for Asbury Creek intake would cost \$336.00.

Mr. Seifer moved to authorize Mr. Phil Chick to renew the property insurance with the flood insurance and increasing the annual deductible to \$1K which was seconded by Ms. Debra Birkby. All in favor. Motion carried.

**Cannon View Park (CVP) – Arch Cape Water District Intergovernmental Agreement (IGA):** (Action) Mr. Seifer moved to authorize the District Manager to execute the proposed agreement (attached) on behalf of the district which was seconded by Ms. Debra Birkby. All in favor. Motion carried.

**Auditor Search:** (Information) Mr. Hill reported that five potential auditors had been contacted with an RFP to conduct a review for fiscal year 2017-18.



**Second Source Update:** (Action) Mr. Seifer moved to authorize the District Manager to engage Hansen Drilling (attached) to drill a test well for \$10,960 and for \$1,500 of rock work by Bob McEwan which was seconded by Ms. Murray. All in favor. Motion carried.

**Public Records Policy Review:** (Information)

Mr. Seifer moved that the district adopt the amended public records policy (attached) with an indication that this supersedes in its entirety the prior policy which was seconded by Ms. Debra Birkby. All in favor. Motion carried.

*records portion of the*

**New Business:**

**Resolution 18-02 WD SDC Update:** (Action) Mr. Seifer moved adoption of RES 18-02 WD SDC Update (attached) which was seconded by Ms. Debra Birkby. All in favor. Motion carried.

**Compensation Policy:** (Action) There was a general consensus that the COLA index used needed to be adjusted for the local area and that annual maximum increase language that increases “shall not exceed four (4%) percent in any fiscal year” be eliminated.

Mr. Hill to research relevant cost of living consumer price indexes used by other local coastal jurisdictions and report to the board.

Mr. Seifer moved that employee compensation be adjusted by a four (4%) percent increase beginning July 1, 2018 which was seconded by Ms. Murray. All in favor. Motion carried.

**Review of Manager’s Goals Process:** (Information) A general discussion ensued regarding the goals process with the intent that board members would share with each other their thoughts on establishing a reasonable performance objective.

**Surplus ’99 Dodge Ram Truck:** (Information) An add in the paper was suggested as a means of selling the truck as well as parking it near the mailboxes by the old fire station.

Mr. Seifer moved that the District Manager take those steps he deems prudent to dispose of the ’99 Dodge Ram truck which was seconded by Ms. Murray. All in favor. Motion carried.

**Reports:**

**Accounts Receivable:** Water district receivables were reported to be in good condition. Mr. Hill to report on Starfish LLC status at the next meeting.

**District Managers Report:** (attached)

**Treasurer’s Report:** Account reconciliations to be completed prior to next month’s regular meeting.

**Board of Directors' Comments and Reports:** Ms. Murray posed a question regarding meeting length followed by Ms. Debra Birkby's expression of concern for the amount of time the watershed project was taking for Mr. Chick. Mr. Schiffman expressed his view of the need for the Board to clarify its communication channels with Mr. Chick. Mr. Seifer voiced his appreciation for the additional tasks undertaken by Mr. Chick followed by Mr. Schiffman's thoughts of care and concern extended to Ms. Virginia Birkby at this time.

**May Agenda Items:** (Information) Starfish LLC, Budget and public hearing for rate increase, auditor search, outreach coordinator, CVP support agreement, second water source, '99 Dodge Ram truck sale, bank account signature cards.

**Public Comment:** None.

The meeting was adjourned by Mr. Ron Schiffman at 8:02pm.

Respectfully submitted,



Steve Hill



Attest

Mr. Ron Schiffman, Vice President

## Exhibit A – Services to be Performed

Contract Number: I-20XX-XXX-XXXX-01  
Contractor Location: [CONTRACTOR ADDRESS]  
Reports to: [STAFF NAME]

### About

The Arch Cape Domestic Water Supply District (“Water District”) has a unique and timely opportunity to engage the community in the stewardship of its drinking water source area, the Arch Cape Forest. To this end, the Water District and partners seek to hire a qualified professional to facilitate public engagement and stakeholder outreach.

The Water District is currently exploring the feasibility of acquiring 2,121 acres of forested coastal headlands. The model of ownership is inspired by ‘Community Forests,’ a public/private model of resource governance with a long history of practice in New England, Germany, and Nepal that rest on the central principles of local decision-making and permanent protection of conservation values. The Arch Cape Forest will be managed for clean and safe drinking water, increased local engagement with sustainable forestry, and the permanent protection of rare and wild species habitats.

The priority under this contract is to collect input from stakeholders and otherwise engage the broader community during the watershed acquisition and management planning process. One of the main outcomes of the public engagement process will be the formation of a Community Advisory Committee that includes members of the Water District and other interested community members. This scope of work describes the background of the project and outlines the duties and deliverables required for completion of this contract.

This project represents a collaborative effort between the municipality’s utility district (Arch Cape), the local Watershed Council (Ecola Creek), and a regional conservation organization (Sustainable Northwest). In addition, the Arch Cape Forest fits within the North Coast Land Conservancy’s “Coastal Edge Campaign” as a vital piece of the puzzle, with coordination between groups occurring monthly. These project partners form the collaborative driving the project forward.

Sustainable Northwest serves as the grant administer and project manager for the Arch Cape Forest community engagement process on behalf of the Arch Cape Domestic Water Supply District manager and board of directors. This project is funded by the Oregon Watershed Enhancement Board (OWEB) and strives for measurable social and environmental benefits to water quality and species habitats on the Oregon Coast.

### Contractor Selection Criteria

Demonstrated skill with stakeholder engagement and digital tools used for public outreach, including but not limited to writing for publication, email marketing, website content, and social media; experience and fluency in issues material to land management, including forestry, conservation, land trusts, water quality, and facilitating collaborative processes. The ideal candidate will bring a local perspective and good relationships.

The hiring committee will consist of one (1) member each from Arch Cape Water, Ecola Creek Watershed Council, North Coast Land Conservancy, and Sustainable Northwest. Proposals will be scored based on their performance meeting the above selection criteria and candidates advanced upon a unanimous decision of the committee.

### Scope of Work

Contract amount not to exceed \$22,800 for the one-year period beginning May 1<sup>st</sup>, 2018. It is expected that the contract could take 50 weeks at 15 hours per week and a billable rate of \$30/hr.

Contractor shall work independently to accomplish the objectives, complete the activities, and report on the indicators of success described in Table 1. Contractor shall share bi-weekly updates with the members of the collaborative and report monthly to Sustainable Northwest with progress reports.

Table 1. Project Parameters

Objective	Activities	Indicator of Success
Engage local citizens and community partners in acquisition and management planning;	Host at least three (3) community workshops on community forests and sustainable forest management;  Lead at least one (1) annual field tour through the drinking watershed and engage scientific experts to explore forest management, wildlife habitat, and water quality implications;	The greatest number of people are engaged and informed
Identify economically and ecologically sustainable management practices that ensure affordable water rates and adequate watershed protections;	Leading learning exchanges with municipal officials and foresters for the towns of Cannon Beach and Astoria through in-person meetings and field tours;	Local residents and leaders have participated in meetings
Develop responsible and reliable governance and oversight mechanisms for the watershed.	Establishing trust with local residents, homeowner and rental associations, and other citizens groups through clear and timely communications including social media, community meetings, District board meetings, and direct outreach to influential community members;  Establishing a Community Advisory	Committee is convened;  Outreach activities stimulate local discussions

	Committee that includes diverse representation of local community members, partner organizations and neighboring landowners, and other experts	
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### Project partners

For more details on the project background, see the Arch Cape Domestic Water Supply District public documents here <http://www.archcape.com/ACutility/Documents.html>

### Deliverables

Table 2. Timeline of Key Events

Milestone	Date
Begin granting period	June 2018
Attend Arch Cape Water District Board Meeting (and subsequent meetings occurring monthly on the third Friday)	6/18/2018
Workplan drafted and reviewed by Water Manager and Sustainable Northwest	7/01/2018
Begin drafting newsletter content	7/1/2018
Social media engagement efforts	7/15/2018
Convene community advisory committee	8/1/2018
Presentations on forest management planning	9/1/2018
Watershed tour	9/1/2018
Present forest management vision	10/1/2018
Review and update public engagement strategy	11/1/2018
Year-end update drafted	December
Community Advisory Committee Meeting #2	January
Begin planning for Summer 2019 Tour	February
Grant reporting	March
Final report to District Board	April



March 13, 2018

**Gregory D. Fullem**

Admitted in Oregon and Washington

T: 503-796-3736

C: 971-222-4391

[gfullem@schwabe.com](mailto:gfullem@schwabe.com)

**VIA E-MAIL**

Phil Chick  
District Manager  
Arch Cape Water District  
32065 East Shingle Mill Lane  
Arch Cape, OR 97102

RE: Legal Representation

Dear Phil:

We have been asked to represent Arch Cape Water District (the "District") with respect to acquisition by the District of a forestland parcel currently owned by Ecotrust Forest Management situated in Clatsop County, and subsequent negotiation of a perpetual working forest conservation easement encumbering the land (collectively, the "Transactions").

As discussed with the District Board at its recent meeting, we will initially be providing pro bono legal assistance to the District in connection with the Transactions. If ever the District or its consultants with respect to the Transactions are able to provide payment to our firm for legal services rendered, whether through grant funding or other sources, we will modify the billing arrangement contemplated hereunder by a subsequent engagement letter providing for payment of our legal fees, at hourly rates to be agreed upon at that time between the District and our firm. To that end, by the District's execution of this engagement letter, the District agrees to make good faith efforts to seek funding for legal expenses arising with respect to the Transactions whenever possible.

Janna and I will be the principal attorneys working on this matter, but we may seek assistance from time to time from the other members of our forest products team, including Jamee Asher and Katherine Wax.

Notwithstanding the arrangement described above, the District will be invoiced for out-of-pocket expenses such as photocopying charges, filing fees, and similar expenses. Fees not paid within 30 days of invoice bear interest at the rate of 9% per annum.

You may terminate our representation at any time by notifying us in writing. We may terminate our representation of you upon notice to you if you fail to fulfill your obligations under this agreement, or as provided under certain ethical and professional rules applicable to the legal profession. Those rules describe several circumstances and types of client conduct that require or allow us to withdraw from our representation, including, for example, the nonpayment of costs, misrepresentation or failure to disclose material facts, failure to cooperate with us in our



Phil Chick  
March 13, 2018  
Page 2

representation of you, action contrary to our advice, and a conflict of interest with another client. The termination of our services, whether initiated by you or by us, will not affect your responsibility for payment of outstanding statements, for costs incurred before termination, or for costs accrued or incurred thereafter in connection with an orderly transition of the matter.

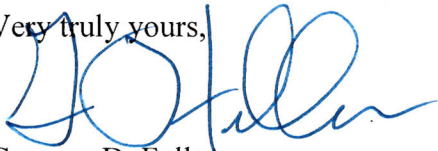
When we have completed all the legal work necessary for your matter, we will close the file and return original documents to you. We will then store the file for ten (10) years. The file will be destroyed by shredding after that period of time unless you instruct us in writing to send it to you.

Enclosed with this letter is our Standard Terms of Engagement. The terms of this engagement letter will control over and supersede any conflicting terms and conditions set forth in the Standard Terms of Engagement. If the foregoing terms and conditions are acceptable, we suggest that this letter, including the Standard Terms of Engagement, serve as our memorandum of agreement. Please indicate your concurrence by signing and returning a copy of this letter.

We want you to be satisfied with the services we provide. If you ever have concerns, please contact our Chief Executive Officer, Graciela Cowger, at 360.905.1100. For payment questions, please call our Accounting Manager, Liz Russell, at 503.796.2846.

Thank you again for providing us with this opportunity to be of service.

Very truly yours,



Gregory D. Fullem

GDF:csb  
Enclosure

The foregoing terms and conditions, including the attached Standard Terms of Engagement, are agreed to.

ARCH CAPE WATER DISTRICT

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

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**ATTACHMENT A**

**CONTACT INFORMATION**

<b><u>Lawyer/Paralegal</u></b>	<b><u>Current Hourly Rate</u></b>	<b><u>Area of Practice</u></b>	<b><u>Contact Information</u></b>	<b><u>Secretary/Contact Information</u></b>
Gregory D. Fullem	<i>waived</i>	Real Estate	1211 SW Fifth Avenue Suite 1900 Portland, OR 97204 Direct: 503-796-3736 Fax: 503.796.2900 <a href="mailto:gfullem@schwabe.com">gfullem@schwabe.com</a>	Connie Bodine Direct: 503-796-2442 <a href="mailto:cbodine@schwabe.com">cbodine@schwabe.com</a>
Janna Davydova	<i>waived</i>	Real Estate	1211 SW Fifth Avenue Suite 1900 Portland, OR 97204 Direct: 503-796-2459 Fax: 503.796.2900 <a href="mailto:jdavydova@schwabe.com">jdavydova@schwabe.com</a>	Connie Bodine Direct: 503-796-2442 <a href="mailto:cbodine@schwabe.com">cbodine@schwabe.com</a>
Jamee Asher	<i>waived</i>	Real Estate	1211 SW Fifth Avenue Suite 1900 Portland, OR 97204 Direct: 503-796-7465 Fax: 503.796.2900 <a href="mailto:jasher@schwabe.com">jasher@schwabe.com</a>	Connie Bodine Direct: 503-796-2442 <a href="mailto:cbodine@schwabe.com">cbodine@schwabe.com</a>
Katherine Wax	<i>waived</i>	Real Estate	1211 SW Fifth Avenue Suite 1900 Portland, OR 97204 Direct: 503-796-2912 Fax: 503.796.2900 <a href="mailto:kwax@schwabe.com">kwax@schwabe.com</a>	Ellice Heaston Direct: 503-796-3738 <a href="mailto:eheaston@schwabe.com">eheaston@schwabe.com</a>

## Standard Terms of Engagement

### Initial Conference

The relationship with your attorney will usually begin with an initial conference. The purpose of this conference is for the attorney to learn about your situation, and then to discuss candidly the scope of services that will need to be provided. You should have a clear understanding of the legal services we will provide. Unexpected bills often are the result of poor communication at the beginning of a project and can damage a good working relationship. Don't hesitate to ask any questions you might have about costs and the amount of work anticipated. Most of the attorney's work will be performed outside your view—legal research and analysis, document drafting, and negotiation with opposing counsel. In most circumstances, we will also charge for waiting time in court and elsewhere and for travel time. We will act at all times on your behalf to the best of our ability. Any expressions on our part concerning the outcome of your legal matters are expressions of our best professional judgment, but are not guarantees. Such opinions are necessarily limited by our knowledge of the facts and are based upon the state of the law at the time they are expressed.

### Identity of Client

The engagement letter identifies the client. Unless specifically stated, no other person or entity will be represented whether officers, directors, shareholders, or other stakeholders who may have an interest in the subject of the representation.

### Who Will Provide the Legal Services

To best serve your needs, we may assign various lawyers or paralegals in the firm to work on a particular matter, if, in our judgment, that becomes necessary or appropriate. Our objective is to draw upon our expertise and experience to represent you most efficiently and economically. The letter accompanying these Terms and Conditions lists those individuals in the firm who we plan to involve in this engagement, including their secretaries, together with all contact information. We have included cell telephone numbers if ever you should need to contact any of us outside of normal business hours. Most of us can retrieve e-mails remotely, both during and outside normal business hours.

### Fees and Costs

We find it advisable to confirm our mutual understanding with respect to the payment of fees and other charges incurred in connection with this engagement. We customarily undertake engagements on an hourly fee basis. We primarily base our fee on the amount of time devoted to this engagement, with the fee determined by the time spent on the matters multiplied by the individuals' hourly rates. There may be instances where other factors may be taken into consideration in determining our fees. These include such factors as the time limitations imposed by the client or the matter; the benefit resulting to the client or the results achieved for the client; the skill requisite to perform the services properly; the experience, reputation and ability of those performing the services; the complexity of the work and the novelty and difficulty of the questions involved; the efficiency with which it is accomplished; the extent to which we may have forgone other client opportunities in order to satisfy your requirements; and any unforeseen circumstances arising in the course of our representation. In such events, the fee will be reflected on our invoice as an adjustment to the time expended or to the hourly rate. In some of those instances (such as where we have invested in and utilize in our engagement sophisticated business/document production templates), the charge will reflect a sharing with the client of some of the resulting savings realized through our enhanced efficiencies. Hourly rates for attorneys in the firm vary according to experience and expertise. The range is currently from \$260 to \$795 per hour for attorneys and from \$120 to \$270 per hour for paralegals.

If we have more than one client in a matter, unless otherwise agreed in writing, all clients will be jointly and severally liable for our fees and other charges incurred in connection with this engagement.

The firm typically incurs costs in connection with the legal representation. In addition to fees for services rendered, we charge and you will be invoiced for all such direct or out-of-pocket costs,<sup>1</sup> that we may incur in connection with this engagement. All such charges will be clearly noted on our invoices. With this engagement, you authorize us to retain any investigators, consultants, or experts necessary in our judgment to represent your interests in this matter. With respect to any out-of-pocket expense to a third-party vendor in excess of \$100, either we ask that you pay the amount in advance, or we will submit the invoice to you and ask that you pay it to the vendor directly.

We are very sensitive to the financial considerations involved in our representation and will make every effort to alert you to any event or circumstance that could affect the fees or time involved in this matter. To assist you in managing the financial aspects of this engagement, if you would like, we could notify you at such time as our aggregate fees reach one or more specified thresholds. At that time, we could sit down and take stock of what we've achieved, what remains, and what the likely fees and costs will be.

<sup>1</sup> These include, by way of illustration, such costs and expenses as photocopy charges, mileage, travel expenses, special postage, delivery charges, filing fees, extraordinary secretarial charges, computer-assisted legal research, use of other service providers, and in the case of litigation, filing fees, deposition costs, process servers, court reporters and witness fees, etc.

If during the course of our engagement, you should ever have questions about an invoice, the status of your account, or if you otherwise need to speak with someone in our accounting department, please contact Liz Russell, Accounting Manager, at 503.796.2846 or by e-mail at russell@schwabe.com.

### **Advance Fee Deposit**

Unless other arrangements are made in advance, you will be expected to pay us an advance fee deposit before we start work, which, unless we agree otherwise, will be applied to your final invoice. Upon completion of work, any remaining balance will be refunded directly to you without interest. Payment of an advance fee deposit does not relieve you of the obligation to make prompt payment of invoices. Unless otherwise directed, all advance fee deposit funds are placed in a client trust account, and the interest earned on those accounts is donated, by law, to support public interest objectives of either the Oregon or Washington law foundations.

### **Credit Checks**

It is our general practice to conduct credit checks on all new business clients, the results of which may not be available until after the initial conference. Information from that credit check may result in the primary attorney subsequently requiring an advance fee deposit or other financial arrangements. If you are unable to make such financial arrangements, it may be necessary for us to withdraw from or decline your representation.

### **Billing Statements**

Unless otherwise agreed upon, billing statements are sent monthly. All invoices are due and payable in full within thirty (30) days after invoice date. Our policies regarding late payments are as follows:

- (1) Invoices unpaid for more than thirty (30) days after invoice date will be subject to a late payment charge of 9% annually.
- (2) We may, at our option, seek to recover from you the balance due, together with collection expenses including costs disbursements allowed by law, attorney fees and expenses, including those on appeal (and including those incurred by Schwabe, Williamson & Wyatt internally without engaging an outside law firm).
- (3) We may find it necessary to terminate services and withdraw from representation.

If you find yourself unable to make timely payment, please contact our Credit and Collections Coordinator or your primary attorney.

### **Estimates**

We often receive requests to estimate the amount of fees and costs likely to be incurred in connection with a particular matter. Whenever possible, we will furnish such an estimate based upon our professional judgment, but always with a clear understanding that it is not a maximum or fixed-fee quotation. The ultimate cost frequently is more or less than the amount estimated. For certain well-defined services, we may quote you a flat fee. It is our policy not to accept representation on a flat-fee basis except in such defined service areas or pursuant to a special arrangement tailored to the needs of a particular client. In all such situations, the flat-fee arrangement will be expressed in a letter, setting forth both the amount of the fee and the scope of the services to be provided. We may, in appropriate circumstances, provide legal services on a contingent fee basis. Any such contingent fee arrangement must be reflected in a written contingent fee agreement provided by our contingent fee review committee.

### **Working Arrangements**

Problems or confusion about bills should be directed to our Accounting Manager or your primary attorney. Your primary attorney may assign various lawyers or paralegals in the firm to work on your file. If you are concerned about who works on your file, please discuss these concerns with your primary attorney.

By selecting our firm to represent your interests, you give the firm the power of attorney to execute all complaints, claims, verifications, dismissals, deposits, and orders and take other actions on your behalf. Be assured, however, that settlements affecting your interests will occur only with your consent. Such consent need not be in writing.

### **Cooperation**

As a necessary term of our engagement, and to enable us to represent you effectively, you agree to cooperate with us in the matters we are handling for you and you must fully and accurately disclose and provide to us all information and documents relevant to our representation or as we may otherwise request. You will need to make yourself reasonably available to us to meet with us, and to attend meetings or any proceedings in which we may be involved on your behalf. In order for us to contact you at all times, you will provide us with all current contact information (address, telephone number, fax number, e-mail address, etc.) and shall promptly notify us of any changes in such information. And, of course, you must agree to pay our fees and costs on the terms described in our engagement letter and these Standard Terms of Engagement.

The advice and counsel we provide to you during the course of our representation of you is solely for your use and reliance and is not intended to be advice upon which anyone else is entitled to rely. Please understand that sharing privileged communications between us with any third party can cause a waiver of the attorney-client privilege to your detriment.



**New Matters**

These Standard Terms of Engagement will also apply to all future legal matters in which we provide you legal services. Those additional legal services may be initiated by e-mail or other communication.

**Termination**

You may terminate our representation at any time, with or without cause, by notifying us. Your termination of our services will not affect your responsibility for payment of legal services rendered and additional charges incurred before termination and in connection with an orderly transition of the matter.

We are subject to the rules of professional responsibility for the jurisdictions in which we practice. Those rules list several types of conduct or circumstances that require or allow us to withdraw from representing a client, including, for example: nonpayment of fees or costs, your misrepresentation or failure to disclose material facts, your action contrary to our advice, and conflict of interest with another client. We try to identify in advance and discuss with our client any situation that may lead to our withdrawal, and if withdrawal ever becomes necessary, we will give you written notice of our withdrawal.

At your request, your original papers and property that you have provided to us will be returned to you promptly upon receipt of payment for final outstanding fees and costs. Schwabe Williamson & Wyatt reserves the right to assert an Attorney's Lien under Oregon law as described in Oregon Revised Statutes chapter 87. We will retain our own files pertaining to the matter. These files include, for example, our administrative records, time and expense reports, personnel and staffing materials, and credit and accounting records; and internal lawyers' work product such as drafts, notes, internal memoranda, and legal and factual research, including investigative reports, prepared by or for the internal use of lawyers. We will then store the file for ten (10) years. The file will be destroyed by shredding after that period of time unless you instruct us in writing to send it to you. All work product remains the property of Schwabe, Williamson & Wyatt, and we will have the right to assert any liens permitted by law.

After completion of the transaction or other matter, changes may occur in the applicable laws or regulations that could have an impact upon your future rights and liabilities. Unless you engage us after completion of the transaction or the matter to provide additional advice on issues arising from our representation, we have no continuing obligation to advise you with respect to future legal developments.

**If You Become Dissatisfied**

Schwabe, Williamson & Wyatt recognizes that working with an attorney represents a significant investment of your time and money. We pledge to provide you with quality counsel and advice. If at any time during this relationship you become unhappy or dissatisfied with our work, we urge you to contact your primary attorney and seek a mutually satisfactory resolution of your concerns. If you are unable to resolve these issues with your primary attorney, please call our Chief Executive Officer, Graciela Cowger. She can be reached at 360.905.1100 or by e-mail at [gcowger@schwabe.com](mailto:gcowger@schwabe.com).

\* \* \* \* \*

This Standard Terms of Engagement is an attachment to our letter of engagement to you. In the event of any conflict between the two, the letter of engagement will control our agreement with you.

**STATE OF OREGON  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
NONPOINT SOURCE IMPLEMENTATION GRANT AGREEMENT**

**Project Name:** Arch Cape Drinking Watershed Protection

**DEQ Agreement #:**123-18

This Nonpoint Source Implementation Grant Agreement is between the State of Oregon, acting by and through its Department of Environmental Quality (“DEQ”), and Arch Cape Water District (“Recipient”).

Recipient Data	DEQ Data
<p><b>Grant Administrator (Name &amp; Title):</b> Phil Chick, District Manager</p> <p><b>Organization Name:</b> Arch Cape Domestic Water Supply District</p> <p><b>Street Address:</b> 32065 E Shingle Mill Lane <b>City, State, Zip Code:</b> Arch Cape, OR 97102</p> <p><b>Phone:</b> 503-436-2790 <b>Email:</b> philchickacutil@gmail.com</p> <p><b>Taxpayer ID# :</b> 74-3185276 <b>DUNS #:</b> 832079037</p>	<p><b>Grant Administrator (Name &amp; Title):</b> Joshua Seeds, Nonpoint Source Analyst</p> <p><b>Organization Name:</b> Department of Environmental Quality</p> <p><b>Street Address:</b> 700 NE Multnomah St, Suite 600 <b>City, State, Zip Code:</b> Portland, OR 97232</p> <p><b>Phone:</b> 503-229-5081 <b>Email:</b> seeds.joshua@deq.state.or.us</p>

1. **Effective Date and Grant Availability.** This Agreement is effective on the date the last party signs it, or if approval by the Oregon Department of Justice (“DOJ”) is required, on the date it is approved by DOJ, whichever date is later (the “Effective Date”). Recipient agrees to complete the Project (described in Exhibit A) no later than **2/28/2019** (“Project Completion Deadline”) (the time period from the Effective Date through the Project Completion Deadline, the “Project Period”). Recipient must submit all invoices for disbursement of Grant funds under Section 5 no later than **4/12/2019**, (the “Invoice Deadline”). DEQ has no obligation to disburse Grant funds for costs invoiced after the Invoice Deadline.
2. **Agreement Documents.** This Agreement consists of this Agreement and Exhibit A, Exhibit B, Exhibit C, Exhibit D, Exhibit E, and Exhibit F that are attached hereto and by this reference incorporated herein. In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence will control. The documents comprising this Agreement are listed in the first sentence of this Section 2 from the highest to lowest precedence.
3. **Grant Funds.** DEQ funding for this Agreement is a Nonpoint Source Implementation Program (NPS) grant (CFDA 66.460) issued to DEQ under Section 319(h) of the Clean Water Act by the U.S. Environmental Protection Agency (EPA). The maximum, not-to-exceed, grant amount that the DEQ will pay to Recipient is **\$ 9,000** (the “Grant”). Payments will be made in accordance with the terms and subject to the conditions of this Agreement.
4. **Match.** Matching funds are required for all Nonpoint Source Projects. The EPA requires that a minimum of 40% of Recipient’s total expenditures on authorized costs of the Project be financed by funding sources (eligible for use as match) other than Nonpoint Source Program Grant funds provided under this Agreement. This match requirement means that, for every six dollars (\$6) in Grant funds that Recipient expends on authorized costs of the Project, Recipient must expend, on authorized costs of the Project, at least four dollars (\$4) of other funds eligible for use as match. If Recipient expends all the Grant funds available under this Agreement on authorized costs of the Project, the match requirement for this Agreement is **\$ 6,000**. Matching funds must come from local, county, or state sources. **Funds from a Federal source are not eligible as match.** Current match expenditures must be reported with all invoices using Nonpoint Source Grant Agreement Expenditures/Match Report form (Exhibit B). The match reported with an invoice, together with all prior match reported, must total at least 40% of Recipient’s cumulative expenditures on authorized costs of the Project. If the reported match does not equal or exceed the required amount, Recipient must submit to DEQ a plan, in form and substance acceptable to the DEQ Grant Administrator and DEQ Financial Services Manager, for providing the required match during the remaining portion of the Project Period.
5. **Disbursements; Authorized Costs.**
  - a. This is a cost reimbursement grant and disbursements will be made only in accordance with the schedule and

requirements contained in this Section 5. The Grant funds may be used solely for authorized costs, as described in this Section 5. Any Grant funds disbursed to Recipient under this Agreement that are used in violation or contravention of any of the provisions of this Agreement must be returned to DEQ. Recipient will return all funds found by DEQ to have been used in violation of this Agreement no later than fifteen (15) business days after DEQ's written demand.

b. Recipient may request disbursement of Grant funds through submission of invoices at least quarterly but not more frequently than monthly. The invoices must describe all work performed on the Project with particularity, including by whom it was performed, must itemize and explain all Project costs for which reimbursement is claimed and must itemize and explain all match expenditures on the Project since the last invoice. Each invoice must be accompanied by (a) a Nonpoint Source Grant Agreement Expenditures/Match Report in the form of Exhibit B and (b) supporting documentation of the costs for which reimbursement is claimed and for match expenditures reported. Such supporting documentation includes personal service cost detail, services and supplies cost detail, copies of paid contract and equipment invoices and, if travel costs are authorized (as indicated below), receipts for lodging, airfare, car rental and conference registration. Supporting documentation for volunteer activities or donated materials, including the basis for valuation, must also be provided.

**c. Invoices for reimbursement of expenses occurring in a State fiscal year (July 1 - June 30) must be received no later than the following July 15th.**

d. Subject to the holdback described in Exhibit A, payments will be based on reimbursement of actual costs authorized by this Agreement. Authorized costs are reasonable and necessary costs incurred by Recipient on or after the Effective Date and on or prior to the Project Completion Deadline in implementation of the Project that are within the line items of the Budget and allowable under applicable law, including applicable federal law (including the cost principles of 2 CFR 200 Subpart E), and that are not otherwise excluded under this Agreement. Indirect costs are authorized at Recipient's current indirect cost rate approved by its federal cognizant agency or, if recipient does not have a federally-approved indirect cost rate, at a maximum 10% de minimis indirect rate as a percent of MTDC as stated in 2 CFR Part 200.

**Management Fees** Management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs which are not allowable under this Grant Agreement. Management fees or similar charges may not be used to improve or expand the Project funded under this Agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

**Consultant Payments** Payments to cover salaries (excluding overhead) paid to individual consultants retained by Recipient or Recipient's contractors in excess of the maximum daily rate of Level IV of the U.S. Government's Executive Schedule are not allowable. This limit applies to consultation services of individuals with specialized skills who are paid at a daily or hourly rate. This limitation does not apply to contracts with firms for services which are awarded using the procurement requirements in 40 CFR unless the terms of the contract provide the Recipient with responsibility for the selection, direction and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation.

e. **Invoices** Invoices must be emailed to **Department of Environmental Quality, Contract Payment Office at [DEQEXP@deg.state.or.us](mailto:DEQEXP@deg.state.or.us)**. Invoices are subject to the review and approval of the DEQ Grant Administrator. In addition, each payment is subject to satisfaction of each of the following conditions precedent:

- i. Recipient is not in default under this Agreement.
- ii. All representations, warranties and certifications provided by Recipient to DEQ under or in connection with this Agreement are true and correct on the date of payment, as if made on such date.
- iii. DEQ has received sufficient funding, appropriations, limitations, allotments or other expenditure authority to allow DEQ, in the reasonable exercise of its administrative discretion, to make the payment.

**f. Travel Expenses – ONLY ONE OF THE TWO OPTIONS MAY BE CHOSEN**

**(OPTION 1)** Travel expenses of the Recipient will not be reimbursed by DEQ.

**(OPTION 2)** All travel must be conducted in the most efficient and cost-effective manner resulting in the best value to the State. The travel must comply with all the requirements set forth in this section and must be for official Recipient business authorized by this Agreement. Personal expenses will not be authorized at any time. **All travel expenses are included in the total maximum Grant amount.**

Recipient understands and agrees that travel expenses will be reimbursed at rates not to exceed those rates approved by the Department of Administrative Services ("DAS") for State government employees at the time the expense was incurred. Recipient understands and agrees that the rates are subject to change and any changed rates will immediately become part of this Agreement and govern reimbursement of any travel expenses incurred after the date of the change.

- i. **Mileage.** Mileage for travel in a private automobile while Recipient is acting within the course and scope of

his/her duties under this Agreement and driving over the most direct and usually traveled route will be reimbursed at the rate approved by the DAS and in effect at the time of travel. To qualify for mileage reimbursement, Recipient must hold a valid, current driver's license for the class of vehicle to be driven and carry personal automobile liability insurance in amounts not less than those required by Oregon laws.

- ii. **Meals & Lodging.** Per Diem rates for meals vary between cities. Recipient understands and agrees that expenses for meals will be reimbursed at rates not to exceed the US General Services Administration (GSA) per diem rates. DEQ will reimburse Recipient for Recipient's actual cost of lodging up to the specified federal per diem lodging rates for the locality. Receipts are required for reimbursement of lodging expenses. US General Services Administration approved rates can be found at [www.gsa.gov](http://www.gsa.gov).
- iii. **Other Travel Expenses.** Out-of-state travel expenses, airfare and rental car expenses will be reimbursed only if specifically authorized by this Agreement or by written authorization from the DEQ Grant Administrator and only if the Recipient is acting within the course and scope of his/her responsibilities under this Agreement. All Recipient representatives will be limited to economy or compact size rental vehicles unless Recipient personally pays the difference. In no case will the state reimburse a Recipient for air travel at a rate greater than coach fare.

**6. Recipient's Representations And Warranties.** Recipient represents and warrants to DEQ as follows:

- a. Recipient is duly organized, validly existing, and in good standing under the laws of Oregon. Recipient has full power and authority to transact the business in which it is engaged and full power, authority, and legal right to execute and deliver this Agreement and incur and perform its obligations hereunder.
- b. The making and performance by Recipient of this Agreement: (1) have been duly authorized by all necessary action of Recipient; (2) do not and will not violate any provision of any applicable law, rule, or regulation or order of any court, regulatory commission, board, or other administrative agency, or any provision of Recipient's organic documents; and (3) do not and will not result in the breach of, or constitute a default or require any consent under, any agreement or instrument to which Recipient is a party or by which Recipient or any of its properties are bound or affected.
- c. This Agreement has been duly authorized, executed and delivered on behalf of Recipient and constitutes the legal, valid, and binding obligation of Recipient, enforceable in accordance with its terms.
- d. No authorization, consent, license, approval of, filing or registration with, or notification to, any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Agreement.

**7. Contracts.** Recipient will not enter into any contracts for any of the work scheduled under this Agreement without obtaining prior written consent from the DEQ Grant Administrator.

**8. Amendments.** The terms of this Agreement may not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by both parties (or, in the case of a waiver, by the party against whom such waiver is sought to be enforced). **The Recipient must notify DEQ's Grant Administrator in writing no later than forty-five (45) calendar days before the Project Completion Deadline of any proposed amendments to this Agreement.**

**9. Termination.** This Agreement may be terminated by mutual consent of both parties or by DEQ upon written notice to the Recipient. If this Agreement is terminated under this Section 9, DEQ will pay Recipient, in accordance with the terms and subject to the conditions of this Agreement, for authorized costs incurred under this Agreement through the date of the termination of the Agreement but not yet reimbursed.

**10. Default by Recipient.** Recipient shall be in default under this Agreement upon the occurrence of any of the following events:

- a. Recipient fails to perform, observe, or discharge any of its covenants, agreements, or obligations contained in this Agreement, including any exhibit attached hereto;
- b. Any representation, warranty or statement by Recipient made herein or in any documents or reports relied upon by DEQ, including but not limited to any statement used by DEQ to measure progress on the Project, the expenditure of Grant moneys, or the performance by Recipient, is untrue in any material respect when made;
- c. Recipient: (i) applies for or consents to the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of itself or of all of its property; (ii) admits in writing its inability to pay, or is generally unable to pay, its debts as they become due; (iii) makes a general assignment for the benefit of its creditors; (iv) is adjudicated as bankrupt or insolvent; (v) commences a voluntary case under the federal Bankruptcy Code (as now or hereafter in effect); (vi) files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts; (vii) fails to controvert in a timely and appropriate manner, or acquiesces in writing to, any petition filed against it in an involuntary case under the federal Bankruptcy Code (as now or hereafter in effect); or (viii) takes any corporate action for the purpose of effecting any of the foregoing; or



d. A proceeding or case is commenced, without the application or consent of Recipient, in any court of competent jurisdiction, seeking: (i) the liquidation, dissolution, or winding-up, or the composition or readjustment of, Recipient's debts; (ii) the appointment of a trustee, receiver, custodian, liquidator, or the like of Recipient or of all or any substantial part of its assets; or (iii) similar relief in respect to Recipient under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case continues undismissed, or an order, judgment, or decree approving or ordering any of the foregoing is entered and continues unstayed and in effect for a period of twenty (20) consecutive days, or an order for relief against Recipient is entered in an involuntary case under the federal Bankruptcy Code (as now or hereafter in effect).

**11. Remedies Upon Default.** If Recipient's default under Section 10(a) is not cured within fifteen (15) business days of written notice thereof to Recipient from DEQ (or such longer period as DEQ may authorize in its sole discretion), or if there is a default by Recipient under Sections 10(b), 10(c) or 10(d), DEQ may pursue any remedies available under this Agreement, at law or in equity. Such remedies include, but are not limited to, termination of this Agreement, return of all or a portion of the Grant amount, payment of any interest earned on the Grant amount, and declaration of ineligibility for the receipt of similar future awards. If, as a result of Recipient's default, DEQ demands return of all or a portion of the Grant amount or payment of interest earned on the Grant amount, Recipient shall pay the amount upon DEQ's demand.

**12. No Implied Waiver, Cumulative Remedies.** The failure of DEQ to exercise, and any delay by DEQ in exercising, any right, power, or privilege under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege. The remedies provided herein are cumulative and are not exclusive of any remedies provided by law. DEQ may, in its sole discretion, pursue any remedy or remedies singly, collectively, successively, or in any combination or order.

**13. Project Identification.** Reports, documents, and signage developed as part of the Project funded by this Agreement must contain the following statement: *"This Project has been funded wholly or in part by the United States Environmental Protection Agency under a federal grant issued under Section 319(h) of the Clean Water Act. The contents of this document do not necessarily reflect the views and policies of the Environmental Protection Agency, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."*

#### **14. General Administrative Requirements**

- a. The Recipient, pursuant to this Agreement assumes sole liability for Recipient's breach of the conditions of the grant, and shall, upon Recipient's breach of grant conditions that requires the State of Oregon to return funds to the EPA, hold harmless and indemnify the state for an amount equal to the funds which the State of Oregon is required to pay to EPA.
- b. All equipment and materials purchased with funds made available by this Agreement must be used to implement the Project and for purposes of the same general nature as outlined in this Agreement. The Recipient will immediately notify DEQ of any equipment purchased with funds made available under this Agreement that is removed from service. Disposal of such equipment must be in accordance with 2 CFR Part 200.311.
- c. The Recipient, if a State agency or agency of a political subdivision of the State, agrees to comply with the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations under RCRA Section 6002 apply to acquisitions of certain products where the purchase price of such products exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the EPA. These guidelines are listed in 40 CFR Part 247.
- d. The Recipient agrees to ensure that all conference, meeting, convention, or training space funded in whole or in part by this Agreement comply with the protection and control guidelines of the Hotel and Motel Fire Safety Act (PI 101-391 as amended).
- e. The Recipient agrees to comply with the audit requirements set forth in 2 CFR Part 200, Subpart F.
- f. The Recipient agrees to comply with the requirements of 2 CFR Part 200 and 2 CFR Part 1500 as applicable.
- g. The Recipient will include the following term and condition in each procurement contract funded by this Agreement: "The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under DEQ Grant Agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies."

- h. Recipient agrees that no portion of the federal grant funds will be used to engage in lobbying of the Federal Government or in litigation against the United States unless authorized under existing law. **The Recipient agrees to provide certification to DEQ on FORM DEQ5700-53 at Project completion.** FORM DEQ5700-53 is attached as Exhibit D.
- i. Pursuant to Section 18 of the Lobbying Disclosure Act, the Recipient affirms that it is not a nonprofit organization described in Section 501(c) (4) of the Internal Revenue Code of 1986; or that it is a nonprofit organization described in Section 501(c) (4) of the Code but does not and will not engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act.
- j. The Recipient agrees to comply with Title 40 CFR Part 34, New Restrictions on Lobbying. If the Grant exceeds \$100,000, Recipient agrees to comply with Title 40 CFR Part 34, New Restrictions on Lobbying and to submit certification and disclosure forms accordingly. Any Recipient who makes a prohibited expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such violation. All contracts awarded by the Recipient shall contain, when applicable, the anti-lobbying provision as stipulated in the Appendix II of 2 CFR Part 200.
- 15. Intangible Property.** The recipient may hold the copyright in any work that is subject to copyright and was developed, or for which ownership was purchased, under this Grant Agreement. For any such work, Recipient grants to DEQ and EPA a nonexclusive, irrevocable, perpetual royalty-free, license to reproduce, publish, or otherwise use the work and to authorize others to do so.
- 16. Suspension and Debarment.** Recipient shall fully comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions". Recipient is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Covered Transactions", includes a term or condition requiring compliance with Subpart C. Recipient is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. Recipient may access SAM (System for Award Management) at <https://www.sam.gov/> to review exclusions and disqualifications.
- 17. Trafficking in Persons.** Prohibition statement for Recipients who are **private entities**: You as the Recipient, your employees, sub-recipients and sub-recipients' employees may not engage in severe forms of trafficking in persons during the Project Period ; procure a commercial sex act during the Project Period; or use forced labor in the performance of the Grant or sub-grants.
- 18. Quality Assurance (QA) Requirements.** For those projects identified by the DEQ Grant Administrator as involving environmentally related measurements or data generation, the Recipient will develop and submit to DEQ the appropriate quality assurance / quality control documentation. Required documentation may include one or more of the following: an organization specific Quality Management Plan (QMP), a Project specific Quality Assurance Project Plan (QAPP), a Sampling and Analysis Plan (SAP), Standard Operating Procedures (SOPs), or other Quality-related documentation. Which of the quality-related documents will be required is determined by the DEQ Grant Administrator and the DEQ Quality Assurance Officer. No work involving direct measurements or data generation, environmental modeling, compilation of data from literature or electronic media, and data supporting the design, construction, and operation of environmental technology shall be initiated under this Project until the DEQ Grant Administrator and DEQ Quality Assurance Officer have approved the quality assurance document.
- For information on the policies, objectives, principles, authorities, and responsibilities for implementation of the DEQ Quality Management System (QMS) described in DEQ's Quality Management Plan (QMP), contact a Quality Assurance Officer at the DEQ Laboratory and Environmental Assessment Division (LEAD) at (503) 693-5700.
- 19. Drug Free Workplace.** The Recipient must make an ongoing, good faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in Title 2 CFR Part 1536.
- 20. Small and Disadvantaged Business Utilization Requirements.** The Recipient agrees to comply with the requirements of the EPA Program for Utilization of Small, Minority and Women's Business Enterprises in procurement under assistance agreements:
- The Recipient accepts the applicable Minority Business Enterprise (MBE)/ Women's' Business Enterprise (WBE) "fair share" goals/objectives negotiated with EPA by the DEQ as follows:
 

Supplies:	.36% MBE	.72% WBE
Services:	1.61% MBE	4.41% WBE
Equipment:	.95% MBE	.95% WBE
  - The Recipient agrees to make the good faith efforts described in 40 CFR 33.301 whenever procuring construction, equipment, services and supplies under this Grant Agreement and to retain records documenting compliance with the six good faith efforts.
  - The Recipient agrees to comply with the contract administration provisions of 40 CFR, Section 33.302.
  - The Recipient agrees to ensure, to the fullest extent possible, that at least the applicable "fair share" objectives of Federal funds for prime contracts or subcontracts for supplies, construction, equipment or services are made

available to organizations owned or controlled by socially and economically disadvantaged individuals, women and historically black colleges and universities.

- e. The Recipient agrees to include in its bid documents the applicable “fair share” objectives and require all of its prime contractors to include in their bid documents for subcontracts the negotiated “fair share” percentages.
  - f. **The Recipient agrees to submit FORM DEQ5700-52A “MBE/WBE Utilization- Federal Grant no later than September 30<sup>th</sup> of each year until the Project Completion Deadline. FORM DEQ5700-52A is attached as Exhibit C.**
  - g. If race and/or gender neutral efforts prove inadequate to achieve a “fair share” objective, the Recipient agrees to notify the DEQ in advance of any race and/or gender conscious action it plans to take to more closely achieve the “fair share” objective.
- 21. Small Business in Rural Areas.** If a contract is awarded under this Agreement, the Recipient is also required to utilize the affirmative steps listed below.
- a. Place Small Businesses in Rural Areas (“SBRA”) on solicitation lists.
  - b. Make sure that SBRA’s are solicited whenever there are potential sources.
  - c. Divide total requirements, when economically feasible, into small tasks or quantities to permit participation by SBRA’s.
  - d. Establish delivery schedules, where the requirements of work permit, that would encourage SBRA participation.
  - e. Use the services of the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce, as appropriate.
  - f. Require the contractor to comply with the affirmative steps outlined above.
- 22. Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Agreement.
- 23. Access to Records.** The Recipient will maintain all financial records relating to this Agreement in accordance with generally accepted accounting principles. In addition, the Recipient will maintain any other records pertinent to this Agreement in such a manner as to clearly document Recipient’s performance. DEQ, the Oregon Secretary of State’s Office and the federal government and their duly authorized representatives will have access to such financial records and other books, documents, papers, plans, records of shipments and payments and writings of Recipient that are pertinent to this Agreement, whether in paper, electronic or other form, to perform examinations and audits and make excerpts and transcripts. Recipient will retain and keep accessible all such financial records, books, documents, papers, plans, records of shipments and payments and writings for a minimum of six (6) years, or such longer period as may be required by applicable law, following final payment under this Agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to this Agreement, whichever date is later.
- 24. Compliance with Applicable Law.** Recipient will comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Project or this Agreement. Without limiting the generality of the foregoing, Recipient expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Agreement: (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) Executive Order 11246, as amended; (v) the Health Insurance Portability and Accountability Act of 1996; (vi) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (vii) the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended; (viii) ORS Chapter 659, as amended; (ix) all regulations and administrative rules established pursuant to the foregoing laws; and (x) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations; and (xi) ORS 279A, ORS 279B, ORS 279C and 2 CFR Part 200 and 2 CFR Part 1500 as applicable to Recipient. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Agreement and required by law to be so incorporated.
- 25. Recycled Products.** The Recipient agrees to use recycled paper and double sided printing for all reports that are prepared as a part of the Project or under this Agreement. The Recipient will use, to the maximum extent economically feasible in the implementation of the Project, recycled paper (as defined in ORS 279A.010 (1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh)), and other recycled products (as “recycled product” is defined in ORS 279A.010(1)(ii)). The Recipient agrees to comply with the requirements of 40 CFR 247 and 2 CFR 1500, as applicable, in giving preference in its procurement programs to the purchase of recycled products.
- 26. Indemnity.** Recipient shall defend (subject to ORS Chapter 180), save, hold harmless, and indemnify the State of Oregon, DEQ, and their officers, employees, and agents from and against any and all claims, suits, actions, liabilities, damages, losses, costs and expenses (including attorneys’ fees) of any nature resulting from, arising out of, or relating to the activities of Recipient or its officers, employees, contractors, or agents under this Agreement or in the implementation of the Project.
- 27. Indemnification by Contractors.** The Recipient shall take all reasonable steps to cause its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend (subject to ORS Chapter 180), save

and hold harmless the State of Oregon, DEQ, and its officers, employees and agents (“Indemnitee”) from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys’ fees) of any nature arising out of, or relating to the activities of the contractor or its officers, employees, subcontractors, or agents in connection with the Project (“Claims”). It is the specific intention of the parties that the Indemnitee shall, in all instances, be indemnified by the contractor from and against any and all Claims.

- 28. Governing Law.** The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.
- 29. Merger Clause.** THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES REGARDING THE SUBJECT MATTER HEREOF. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. THE RECIPIENT, BY THE SIGNATURE BELOW OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.
- 30. Relationship of Parties.** DEQ and Recipient agree that their relationship is that of independent contracting parties and that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265.
- 31. Time is of the Essence.** Time is of the essence in Recipient’s performance of its obligations under this Agreement.
- 32. No Implied Waiver.** The failure of DEQ to exercise, and any delay by DEQ in exercising, any right, power, or privilege under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.
- 33. Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of DEQ, Recipient, and their respective successors and assigns, except that Recipient may not assign or transfer its rights or obligations hereunder or any interest herein without the prior written consent of DEQ.
- 34. No Third Party Beneficiaries.** DEQ and Recipient are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide, any benefit or right, whether directly or indirectly, to any third party unless such party is identified individually by name herein and is described expressly as an intended beneficiary of the terms of this Agreement.
- 35. Notices.** Any notice under this Agreement shall be in writing and delivered to the party to be notified in-person, by U.S. mail, postage prepaid, or by email. Notices mailed or emailed must be sent to the address or email address set forth in this Agreement on page 1. Any notice so addressed and mailed shall be effective five (5) days after mailing. Any notice given by personal delivery shall be effective when actually delivered. Any notice given by email shall be effective upon the sender’s receipt of confirmation generated by the recipient’s email system that the notice has been received by the recipient’s email system.
- 36. Counterparts.** This Agreement may be executed in several counterparts, all of which when taken together shall constitute one agreement, notwithstanding that all parties are not signatories to the same counterpart. Each copy of the Agreement so executed constitutes an original.

**EACH PERSON SIGNING THIS AGREEMENT REPRESENTS AND WARRANTS THAT HE/SHE HAS THE POWER AND AUTHORITY TO ENTER INTO THIS AGREEMENT ON BEHALF OF THE INDICATED PARTY.** DEQ enters into this Agreement under the authority of Oregon revised Statutes 190.110.

**APPROVED BY RECIPIENT:**

_____	_____
Authorized Signer	Date
Virginia Birkby, District Board President	
Printed Name / Title	

**APPROVED BY THE DEQ:**

_____	_____
Jennifer Wigal, Environmental Solutions Division Administrator	Date

64443 – X - W17713	_____	_____
PCA - Index – Project	Mark Brown, Financial Services Manager	Date



**OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY  
NONPOINT SOURCE IMPLEMENTATION GRANT AGREEMENT**

**EXHIBIT A  
Project Requirements, Budget and Schedule**

<b>Project name:</b> Arch Cape Drinking Watershed Protection	<b>DEQ Agreement #</b> 123-18
<b>Recipient:</b> Arch Cape Domestic Water Supply District	

**A. BACKGROUND** Include a general description of Project, Project goals/objectives, Project partners, including the source of matching funds.

The Arch Cape Water District ('the District') obtains water from Shark Creek and Asbury Creek, which are fed by a combination of springs and smaller spring-fed tributaries within the drinking water source area for the community. The topography gains elevation abruptly from the beach to the upper range of the watershed on this particular stretch of coastline. The District manages a water treatment plant and storage facility for the benefit of 150 permanent and more than 900 seasonal residents of the unincorporated town of Arch Cape in Clatsop County. The District delivered an average of 32,105 gallons per day in 2014 to customers while maintaining streamflows for fish and wildlife as set out by ODFW. This year, the District received an award from the Oregon Water Resources Department for the best water efficiency and conservation plan submitted by small municipal water suppliers. The District faces ongoing challenges from logging-related nonpoint source pollution. The District's 2002 Sourcewater Assessment and 2015 Water Management and Conservation Plan both identify industrial timber management as a high risk to water quality. Of concern are clearcuts in riparian areas, harvests on landslide-prone slopes, and chemical application of herbicides - leading to elevated levels of turbidity and sedimentation, as well as increased levels of organic compounds from herbicide sprays. Clear cutting has left no buffer for the heavy deluge of rain events that are common on the Oregon Coast. As a result, rainfall tends to travel quickly through drainages in a chute at higher velocities - scouring these drainages and collecting sediment along the way. Maintaining adequate tree cover would aid in the health of the watershed by delaying this hydraulic flow. According to a study by the Trust for Public Land and the American Water Works Association, approximately 50-55% of variation in treatment costs could be explained by watershed forest cover. Over the last several years, nearly \$1 million dollars have been spent to upgrade the system's water storage and treatment capacity. The District's capital budget forecasts that the system's membrane filters will wear out by 2025 and cost \$70,000 to replace. Other variable costs related to materials and services used to purify water make up approximately one-third of the District's annual operating budget, and can vary according to intake water quality.

Over the years, residents and members of the District board have discussed pursuing a memorandum of understanding with the landowners or purchasing the timberlands outright to prevent these negative impacts to their drinking water and watershed health. The District has a unique and timely opportunity to protect the 2,121-acre headlands watershed that serve as the sole drinking water source for Arch Cape. These fir-hemlock-cedar timberlands were recently acquired by Ecotrust Forest Management (EFM) from Stimson Lumber and are managed on behalf of investors in the investment vehicle Onion Peak Holdings. Onion Peak Holdings has a limited ownership time horizon and is legally required to sell the property in the near-term, making acquisition of this parcel within the next five years a time-limited opportunity. Although EFM is in practice already acting as a bridge, the District has yet to secure an option on the property that would give it an advantage over a less conservation-motivated buyer. Without this, the property could easily be flipped and logged by another TIMO. Of the full 2,121 acres, the District proposes to acquire 1,500 acres through fee title acquisition and protect 600+ acres at the headwaters of the streams through conservation easements in partnership with the North Coast Land Conservancy (NCLC). The North Coast Land Conservancy's "Rainforest Reserve Legacy Campaign" is underway to conserve the adjacent 2,900 acres through a combination of conservation easement and fee-title acquisition. Together, the North Coast Land Conservancy's Rainforest Reserve Legacy Campaign area will form the backdrop to Arch Cape, a 29 square mile conservation corridor—from the crest of the Coast Range summit at Onion Peak, down to Oswald West State Park and into the sea

at the Cape Falcon marine reserve—benefiting Oregonians and visitors from around the world. The property is part of the privately held 5,000-acre Onion Peak Holdings tract that adjoins Oswald West State Park, which attracts 750,000 visitors annually and has become one of Oregon’s most popular parks.

With this opportunity in view, the next two years are critical to engaging the community, stakeholder organizations, and the broader public in a process to first understand the impact, have a voice in decision-making, and ultimately, genuinely support the concept of a sustainably-managed and effectively-governed community forest. Other community forests across the Pacific Northwest and Northeastern United States have multi-layered governance structures depending on whether the underlying land ownership is held by local government, private corporation, or tribal corporation - but all share the common element of the Community Advisory Committee. This Community Advisory Committee ensures that local people have a voice in critical decisions such as revenue and benefit sharing, logging intensity, and public access. The Committee is especially critical in Arch Cape because a portion of the acquisition costs may be paid for by public financing that can only be approved with the full and engaged participation of local ratepayers and voters. The value of the parcel is estimated at approximately \$6 million, pending an appraisal in 2018/2019. At least half of the acquisition dollars will come from grants, with the remaining amount sourced through a local campaign and public finance. The District, in cooperation with EFM and NCLC, recently submitted a Federal Forest Legacy Program (FFLP) grant application for \$4.5 million to the Oregon Department of Forestry (ODF) for FY 2019. ODF has ranked the project highly and is advancing the proposal to the National Review Board.

In August 2017, the District Board began an internal process of drafting its vision, mission, and goals statement for the Arch Cape Community Forest. The public engagement strategy was developed through public meetings held in conjunction with the Arch Cape Sanitary District Board. Public meetings occurred in Arch Cape on August 7, August 18, September 15, and October 20, 2017. Through the fall and winter 2017-2018, the District will continue to refine its outreach and public engagement strategy, preparing the community for an anticipated award of FFLP funds for the fiscal year 2019. The District has limited resources to divert from its core responsibility of treating and supplying drinking water. Beginning in 2017/2018, the District has budgeted \$5,000 towards watershed sourcewater protection activities. The District Manager is a full-time employee with primary responsibilities for supervising technical activities and overseeing the management and operations of the water district. With this additional grant support, the District will be able to form a Community Advisory Committee (CAC), educate the community, and engage with pushback or opposition to ensure success of the project. In fact, public engagement is crucial to the District being able to raise sufficient funds to purchase the land. Funding to pursue open and thoughtful outreach is essential to the success of this project.

**B. PROJECT** Include list of tasks to be accomplished and Project implementation schedule. Include specific authorization for contracting all or part of the work.

The Arch Cape Water District will use the 319 grant funds to contract with Sustainable Northwest, a Pacific Northwest non-profit organization, to conduct education, outreach, and Community Advisory Committee formation activities in order to progress towards the goal of community ownership of Arch Cape Water District’s drinking water source area. Arch Cape Water District will provide in-kind match in the form of staff time.

The activities supported by this request will include technical assistance, public awareness and education, and training. Ultimate success for this stage of the project will be measured by the delivery of an actionable plan for the District to take a direct ownership stake in the watershed. The plan will include assessments of the geography, standing timber stock, baseline environmental conditions, and required ecological restoration. District staff and personnel from Sustainable Northwest will accomplish the following with detailed reporting of activities and results:

1. Provide technical assistance to the District Board
  - Drafting of vision, mission, and strategy documents for the District Board .
  - Due diligence on the forest resources, geography, and anticipated challenges.

Target completion date: July 2018

2. Facilitating a community advisory committee to inform community forest planning
  - Monthly meetings for twelve months .

Timeline: October 2017 through November 2018

**C. BUDGET**

Estimated Budget	NPS Grant	Non-Federal Match	Total
Personal Services	0	\$6000	\$6000
Subcontracts	\$6500	0	\$6500
Service/Supplies	0	0	0
Travel	\$2500	0	\$2500
Equipment	0	0	0
<b>PROJECT Subtotals</b>	<b>\$9000</b>	<b>\$6000</b>	<b>\$15,000</b>
Indirect Costs	0	0	0
<b>PROJECT TOTALS</b>	<b>\$9000</b>	<b>\$6000</b>	<b>\$15,000</b>

Budget line items above are based on estimates. Shifts in budget between direct cost categories above are allowed only with written approval from the DEQ Grant Administrator. Recipient expects to report the non-federal match described above but the minimum required match is \$ 6000 .

**D. REPORTING:**

1. **Exhibit B. The Recipient must submit Exhibit B no later than 10 calendar days after the end of each quarter, or portion thereof, during the Project Period, regardless of expenditures. Match for each reimbursement must total at least 40% of to date project expenditures. If a minimum of 40% match cannot be claimed, a calendar showing when expected reported match will be claimed must be provided.**
2. **Exhibit C. The Recipient must submit Exhibit C no later than September 30th, of each year during the Project Period.**
3. **Exhibit E, Section I.** The Recipient must submit an Annual Performance Report no later than June 30<sup>th</sup> of each year during the Project Period. The report will identify actions taken and will document progress towards accomplishing Project tasks.
4. **Exhibit E, Section I.** The Recipient must submit a Final Performance Report no later than 20 calendar days after Project completion. The report will identify actions taken and will document progress towards accomplishing Project tasks.
5. **Exhibit E, Section II.** The Recipient must enter Project accomplishments for water quality and habitat restoration into OWEB's Oregon Watershed Restoration Inventory (OWRI) at Project completion, as described in Exhibit E, section II.

All performance reports must be submitted in the format set forth in Exhibit E (Annual/Final Performance Report/OWRI Report) to the DEQ Grant Administrator. The reports may be provided electronically. In addition to the Annual Performance Reports, the Recipient must notify the DEQ Grant Administrator of developments that have a significant impact on the Project activities. The Recipient must inform the DEQ Grant Administrator as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the Project outputs/outcomes specified above. This notification shall include a statement of the action taken or contemplated and any assistance needed to resolve the situation.

**The DEQ will withhold a minimum of 10% of total grant funds for the Project until the Recipient has submitted, and the DEQ has accepted, a Final Performance Report detailing the Project status as described in the Reporting section above, a final Expenditures/Match Report (Exhibit B), final MBE/WBE Utilization Report (Exhibit C) and a Lobbying and Litigation Certificate (Exhibit D).**

**OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY  
NONPOINT SOURCE IMPLEMENTATION GRANT AGREEMENT**

**EXHIBIT B  
Expenditures/Match Report**

<b>Project Name:</b> Arch Cape Drinking Watershed Protection	<b>Project Period</b>
<b>DEQ Agreement Number:</b> 123-18	<b>From:</b> 10/1/2017 <b>To:</b> 2/28/2019
<b>Recipient Name:</b> Arch Cape Domestic Water Supply District	<b>Current Expenditure Period</b>
<b>Recipient Address:</b> 32065 E Shingle Mill Lane Arch Cape, OR 97102	<b>From:</b> <a href="#">Click here to enter a date.</a> <b>To:</b> <a href="#">Click here to enter a date.</a>
	<b>Total Match Requirement:</b> \$ 6000
<b>Phone/Fax:</b> 503-436-2790	<b>Total Grant Amount:</b> \$ 9000

EXPENDITURE SUMMARY	NPS Grant Expenditures			Non-Federal Match Expenditures *			Total Expenditures
	a	b	a + b = c	d	e	d + e = f	c + f
	Previously Reported	Current Period	Cumulative to Date	Previously Reported	Current Period	Cumulative To Date	To Date
Personal Services	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$
Subcontracts	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$
Services/Supplies	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$
Travel	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$
Equipment	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$
Indirect Costs	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$
<b>Total</b>	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$

DEQ, the Oregon Secretary of State's Office and the federal government retain the right to inspect all financial records and other books, documents, papers, plans, records of shipments and payments and writings of Recipient that are pertinent to this Agreement.

<b>CERTIFICATION</b>			
I certify that this report is true and correct to the best of my knowledge and that all expenditures and obligations reported herein have been made in accordance with the budget agreed upon and with other provisions contained in the Agreement.			
Signature	Name & Title (print)	Date	
<b>DEQ USE ONLY</b>		Approved for Payment:	
DEQ Grant Administrator	Date	DEQ Program Manager	Date



**OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY  
NONPOINT SOURCE IMPLEMENTATION GRANT AGREEMENT**

**EXHIBIT C (Part 1)  
(FORM DEQ5700-52A)  
MBE/WBE UTILIZATION – FEDERAL GRANTS  
ANNUAL REPORT**

**PART 1. REPORTS ARE REQUIRED EVEN IF NO PROCUREMENTS ARE MADE DURING THE REPORTING PERIOD.**

<b>1A. FEDERAL FISCAL YEAR</b> Enter Year (Federal Fiscal Year Oct. 1 – Sept. 30 )	<b>1B. Reporting Period: Start:</b> Click here to enter a date. <b>End:</b> Click here to enter a date. <input type="checkbox"/> Check if this is the last report for the Project (Project completed).
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<b>1C. REVISION:</b> Year: : ____ Quarter: ____	<b>BRIEFLY DESCRIBE THE REVISIONS YOU ARE MAKING:</b> Enter Text
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<b>2A. FEDERAL FINANCIAL ASSISTANCE AGENCY</b> US Environmental Protection Agency	<b>3A. REPORTING RECIPIENT (Name and Address)</b> Arch Cape Water District, 32065 E Shingle Mill Lane Arch Cape, OR 97102
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<b>2B. DEQ REPORTING CONTACT</b> Joshua Seeds	<b>2C. PHONE</b> 503-229-5081	<b>3B. REPORTING CONTACT</b> Phil Chick	<b>3C. PHONE</b> 503-436-2790
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<b>4A. FEDERAL GRANT #:</b> 00045117 G22227.18 <b>PCA - PROJECT – AGREEMENT:</b> 64443 – X - W17713	<b>4B. FEDERAL FINANCIAL ASSISTANCE PROGRAM (CFDA)</b> 66.460
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<b>5A. GRANT AMOUNT</b> Federal Funds : \$9,000 Match Funds : \$6,000 TOTAL : 15,000	<b>5B.</b> <input type="checkbox"/> Check if NO procurement and NO accomplishments were made this reporting period. Procurements are all expenditures through contract, order, purchase, lease or barter of supplies, equipment, construction, or services needed to complete work authorized by the Agreement. Accomplishments, in this context, are procurements made with MBEs and/or WBEs.
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**5C. Total Procurement and MBE/WBE Accomplishments This Reporting Period** (Only include amount not previously reported.)  
Were sub-awards issued under this Grant Agreement?  Y  N      Were contracts issued under this Grant Agreement?  Y  N  
Total Procurement Amount \$ Click here to enter \$ (Include total dollar values awarded by Recipients and sub-recipients.)  
Actual MBE/WBE Procurement Accomplished: (Include total dollar values awarded by recipient and sub-recipients.)

	Construction	Equipment	Services	Supplies	Total
<b>\$MBE</b>	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$
<b>\$WBE</b>	Enter \$	Enter \$	Enter \$	Enter \$	Enter \$

**6. COMMENTS:** (If no MBE/WBE procurements were accomplished during the reporting period, please explain what steps you are taking to achieve the MBE/WBE Program requirements specified in the Grant Agreement.)  
Click here to enter code.

<b>7. NAME OF AUTHORIZED REPRESENTATIVE</b> Click here to enter text.	<b>TITLE</b> Click here to enter text.
<b>8. SIGNATURE OF AUTHORIZED REPRESENTATIVE</b>	<b>DATE</b>

**EMAIL COMPLETED FORM TO: [DEQEXP@deq.state.or.us](mailto:DEQEXP@deq.state.or.us)**

**OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY  
NONPOINT SOURCE IMPLEMENTATION GRANT AGREEMENT  
EXHIBIT C (Part 2)  
MBE/WBE PROCUREMENTS MADE DURING REPORTING PERIOD**

Procurement Made (check one)		Business Enterprise (check one)		\$ Value of Procurement	Date of Procurement	Type of Product or Service (Enter Code)	Name/Address of MBE/WBE Contractor or Vendor
Recipient	Other	Minority	Women				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter \$.	Click here to enter a date.	Click here to enter code.	Click here to enter text.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter \$.	Click here to enter a date.	Click here to enter code.	Click here to enter text.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter \$.	Click here to enter a date.	Click here to enter code.	Click here to enter text.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter \$.	Click here to enter a date.	Click here to enter code.	Click here to enter text.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter \$.	Click here to enter a date.	Click here to enter code.	Click here to enter text.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter \$.	Click here to enter a date.	Click here to enter code.	Click here to enter text.

**Product / Service Codes**

<b>1</b>	<b>Construction</b>
<b>2</b>	<b>Supplies</b>
<b>3</b>	<b>Services</b>
<b>4</b>	<b>Equipment</b>

**OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY  
NONPOINT SOURCE IMPLEMENTATION GRANT AGREEMENT  
EXHIBIT D**

**LOBBYING AND LITIGATION CERTIFICATE  
(DEQ5700-53)**

**DEQ Grant Agreement #:** 123-18

**Federal Grant - Federal Grant Specific Format Number:** [Click here to enter text.](#)

**Note: it is recommended that you always include the federal grant specific info in format above here so Recipient has the information to include when reporting. (format: (C9-00045113 G2223-14 PCA64543) Please delete this note AND the grant specific info**

**Recipient Name:** Arch Cape Water District

**Recipient Address:** 32065 E Shingle Mill Lane Arch Cape, OR 97102

**Project Name:** Arch Cape Drinking Watershed Protection

I hereby certify that none of these funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States unless authorized under existing law.

**Authorized Signer:**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Printed Name / Title:**

Virginia Birkby, Arch Cape Water District Board President

**At Project completion, complete this form and submit to: [DEQEXP@deg.state.or.us](mailto:DEQEXP@deg.state.or.us)**

**OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY  
NONPOINT SOURCE IMPLEMENTATION GRANT AGREEMENT**

**EXHIBIT E  
PERFORMANCE REPORT/OWRI REPORT**

<b>Project name:</b> Arch Cape Drinking Watershed Protection	<b>DEQ Agreement #</b> 123-18
<b>Recipient:</b> Arch Cape Domestic Water Supply District	

All reports must be submitted in a format as recommended in this section to the DEQ Grant Administrator. The reports need to be provided electronically.

**Section I**

Please include a discussion that includes an overall summary of the Project to date and the partners involved. Include the following elements:

1. What were the goals for this Project? Were those goals met? If goals were not met, explain why not. Please enumerate specific quantifiable environmental changes and results that are a result of the Project. **THIS IS THE MOST IMPORTANT PORTION OF THE FINAL REPORT AND NEEDS TO BE CLEAR AND EMPHASIZED.** Include:
  - a. Behavioral results such as the amount of BMPs installed;
  - b. Estimates of the amount of pollutants prevented from reaching surface or ground water; and
  - c. Documented changes in water quality based on monitoring.

[Click here to enter text.](#)

2. Provide a written description of what worked and what did not work. Provide a written description of lessons learned in carrying out the Project.

[Click here to enter text.](#)

3. Describe how the Project's funding worked out. Include the projected cost and actual cost of the Project, how much of the grant funds were spent, and how much funding (cash and in-kind) was provided as match from other sources.

[Click here to enter text.](#)

4. What follow up is required? Include photos, graphics and 2 copies of all products produced in the effort. Project completion documentation can be submitted and are encouraged to be submitted in a digital format (one copy).

[Click here to enter text.](#)

**Section II**

DEQ requires that Project accomplishments for water quality and habitat restoration projects be entered into the Oregon Watershed Enhancement Board's Oregon Watershed Restoration Inventory (OWRI) data base located at <http://apps.wrd.state.or.us/apps/oweb/owrio/selectproject.aspx>.

Watershed restoration projects included in this inventory must be:

- Activities designed to restore aquatic, riparian, estuarine, wetland, upland, or overall watershed conditions or functions
- Completed projects or a completed phase of a project

If the Project funded with this Grant Agreement meets the criteria above, the Recipient must certify that the correspondent restoration information on the Project was entered in OWRI by signing this form and returning it with the Project Final Report.

<b>CERTIFICATION</b>		
I certify that the Project accomplishments for the water quality and habitat restoration Project have been entered into OWRI on:		
_____	_____	_____
<b>DATE</b>	<b>SIGNATURE</b>	<b>PRINTED NAME</b>

If you have questions about entering the required information into OWRI, please contact your regional Grant Administrator or the Oregon 319 Coordinator, Ivan Camacho, (503) 229-5088.



**OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY  
NONPOINT SOURCE IMPLEMENTATION GRANT AGREEMENT**

**Exhibit F**

Information Required by 2 CFR 200.331(a)

This is a subaward to a subrecipient. See Oregon Accounting Manual Section 30.40.00.102

**Recipient Name:** Arch Cape Domestic Water Supply District  
(Note this must match the name associated with DUNS # below)

**Recipient's unique entity identifier (i.e., DUNS #):** 832079037

**Federal Award Identification # (FAIN):** 00045117 G22227.18

**Federal Award Date:** 10/1/2017

**Federal Grant Period of Performance Start and End Date:**

**From** 10/1/2017 **To** 12/31/2021

**Total Amount of Federal Funds Obligated by this Agreement:** \$9,000

**Total Amount of Federal Award to Oregon DEQ:** \$327,041

**Federal Award Description:** Nonpoint Source Implementation, CWA Section 319(h) Grant Program

**Name of Federal Awarding Agency:** U.S. Environmental Protection Agency

**Contact Information for Federal Awarding Official:**

Jill Fullagar  
U.S. Environmental Protection Agency  
1200 Sixth Avenue, Suite 900  
Seattle, WA 98101  
E-Mail: [fullagar.jill@epa.gov](mailto:fullagar.jill@epa.gov)  
Phone: 206-553-2582

**Oregon DEQ Indirect Cost Rate:** 20.28%

**CFDA # and Name:** 66.460 – Nonpoint Source Implementation

**Is Award R&D?**       Yes  No

## MUTUAL AID COOPERATIVE AGREEMENT

This Agreement is entered into, by and between Arch Cape Domestic Water Supply District (ACDWSD), and the Cannon View Park Inc. (CVP), a non-profit, mutual benefit corporation with members.

### WITNESSETH:

WHEREAS, parties to this agreement are responsible for their separate and independent domestic water supply systems during routine and emergency conditions; and

WHEREAS, each of the parties owns and maintains equipment, and employs or contracts with personnel to provide service in the management, maintenance and operation of their respective domestic water supply systems;

WHEREAS, each entity may from time to time 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 assist each party's personnel and/or domestic water supply;

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, ACDWSD and CVP enter into this cooperative agreement, to carry out this joint effort and work,

**NOW THEREFORE**, the parties agree as follows;

- 1) The effective date is: 1 April 2018, or upon final signature, whichever is later. This agreement will continue until formally terminated.
- 2) Each party is independent 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 the other party's personnel. Neither party is an agent or employee of any other. Accordingly, ACDWSD employees are covered under ACDWSD's workers' compensation coverage and CVP's contractors are covered under their own policies. Said personnel are not parties to this agreement and shall have no independent claim or recourse against the assisted party for their services.
- 3) Neither party, nor its employees or contractors, is entitled to participate in any pension plan, insurance, bonus, or similar benefits provided by the other party.
- 4) This Agreement may be terminated, with or without cause and at any time by either party by providing 30 days written notice of intent to the other party.
- 5) Modifications to this Agreement are valid only if made in writing and signed by all parties.
- 6) 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, employees, and contractors, 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.

- 7) Each party shall give the other 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.
- 8) 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.
- 9) 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.
- 10) If confronted with a situation requiring personnel, equipment or material not available to it, either party may request assistance from the other which assistance is controlled by this Agreement. Upon receipt of such request, the assisting party 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 assisted party.
  - d. Provide appropriate access to the available material.
  - e. Advise the assisted party in the event all or some of the requested personnel, equipment, or material is not available.

#### 11) Documentation

Documentation of hours worked, and equipment or materials used or provided will be maintained on a shift by shift basis by the assisting party, and provided to the assisted party as needed. Notwithstanding the termination provision of paragraph (10)(4) or compensation provision of paragraph (12) herein, in the event that the assisted party disputes the assisting party's documentation, the assisting party may terminate the requested assistance immediately and without additional notice to the assisted party.

#### 12) Compensation

It is hereby understood that the assisting party will be reimbursed by the assisted party for all labor, materials, equipment (including loss or damage to equipment), and other related expenses as applicable at the assisting party's cost plus overhead and administrative expense allowance of ten percent (10%). Compensation may include:

- a. Compensation for worker(s) at the employee or contractor's current pay structure, including call back, overtime, benefits, taxes, insurance and other burden.
- b. Compensation for equipment at assisting party's or contractor's reasonable rates.
- c. Compensation for materials at assisting party's cost. Materials may be replaced at assisted party's discretion in lieu of cash payment upon approval by the assisting party for such replacement.
- d. Within 30 days after presentation of bills by the assisting party entitled to compensation under this section, the assisted party will either pay or make mutually acceptable arrangements for payment.



- e. In situations when costs are shared for the execution of joint projects or work, each party will be responsible for the costs equitably distributed in proportion to the benefit.

13) The parties agree to share utility information regarding capacities and regulatory limits. Confidential and sensitive information and vulnerability assessments are excluded from the agreement.

14) Either 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.

(15) Emergency Water Supply

The parties shall supply each other with water in the event of a major, substantial disruption of water supply as a result of earthquake, flood, fire, or other catastrophic event to the respective water systems. Water shall be provided only in the case that it does not interfere with the domestic water supply and fire suppression requirements of the providing party. In the event that emergency water is supplied, the amount of water and cost shall be determined at the current established rate of the providing party, and charged to the receiving party on a per customer basis. Individual residence water use would be determined by reading the customers' meters at the beginning of, and at the end of, the supply of domestic water from the providing party.

(16) Additional Terms

This terms and provisions are 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. This Agreement shall remain in effect and shall continue until formally terminated upon the request of either party. Either party may terminate its participation in this Agreement as hereinabove provided in paragraphs (4) and (11) Termination will not affect a party's obligation for payment arising prior to the termination of this Agreement. This Agreement is not intended to be exclusive among the parties. Either 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.

**Contact Information**

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

Phil Chick  
District Manager  
Arch Cape Domestic Water Supply District  
32065 East Shingle Mill Lane  
Arch Cape OR 97102  
Phone: (503) 436-2790  
Mobile: (503) 739-2383  
Email: philchickacutil@gmail.com

Richard Gibson  
President  
Cannon View Park, Inc.  
1000 NW Greenleaf Rd  
Portland OR 97229  
Mobile: (503) 313-7837  
Email: richard.gibson@comcast.net

\_\_\_\_\_  
Signature/Date

\_\_\_\_\_  
Signature/Date

March 28, 2018

CURRAN-McLEOD, INC.  
CONSULTING ENGINEERS

6655 S.W. HAMPTON STREET, SUITE 210  
PORTLAND, OREGON 97223

Mr. Phil Chick, District Manager  
Arch Cape Water District  
32065 East Shingle Mill Lane  
Arch Cape, OR 97102

**RE: ARCH CAPE WATER DISTRICT  
TEST WELL DRILLING CONTRACT**

Dear Phil:

In 2017 we solicited four, and received three, quotes to complete a test well to supply a redundant water supply to the District in accordance with ORS 279B.070 for intermediate procurements. Hansen Well Drilling from Vancouver was the least expensive at \$8,800, with Westerberg Drilling of Molalla at \$9,775 and Schneider of St. Paul at \$12,540.

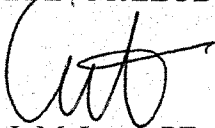
As you are aware, it has been difficult to identify an acceptable location for the test well. As a result, the only acceptable site identified is on the Water Treatment Plant property. The new test well location is estimated to be 50 feet deeper for a total estimated cost of \$10,960, as attached. The District will also need to place some additional rock near the WTP side access gate, which you should coordinate directly with Mike McEwan.

With this letter we are recommending the District approve the contract with Hansen Drilling Company in the amount of \$10,960 at the next Board meeting. We will coordinate with Evan Hofeld and Melanie Olson to make sure we are securing all approvals needed to proceed.

At this time, we have approximately \$14,000 remaining in the SIPP grant from IFA. After completion of the test well we will need to prepare a final report on all water source options to close out the grant. Let me know if you need anything additional at this time, or if you have any questions.

Very truly yours,

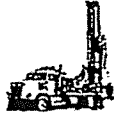
CURRAN-McLEOD, INC



Curt J. McLeod, PE

Enclosure: Hansen Drilling Quote

"Helping to Protect  
Your Ground  
Water Since 1918"



Estimated Contract  
**HANSEN DRILLING CO., INC**  
6711 N.E. 58th Avenue  
Vancouver, WA 98661-1499  
(360) 694-6242 Fax (360) 737-3766  
1 (888) 694-6240

Email: [peggyj@hansendrilling.com](mailto:peggyj@hansendrilling.com)

Start Card # \_\_\_\_\_  
Email: cjm@curran-mcleod,  
Fax: \_\_\_\_\_ com  
Mobile: 503-475-0431  
Work: 503-684-3478

Name: ARCH CAPE WATER DIST. Phone res. \_\_\_\_\_  
Address (mail) CURRAN-MCLEOD INC.  
6655 S.W. HAMPTON ST. SUITE 210 PORTLAND, OR 97223  
(Site:) SHARK CREEK LANE

Location: County CLATSOP T 4 N: R 10 W: E; Sec. 19 ; N E 1/4; SW 1/4

<u>MOB &amp; DE MOB AIR ROTARY EQUIPMENT + PER DIEM</u>	<u>\$4,000.00</u>
<u>38 FT. 10" DRILLING</u>	<u>\$1,710.00</u>
<u>40 FT. 6" CASING W/ DRIVE SHOE</u>	<u>\$875.00</u>
<u>110 FT. 6" DRILLING @ \$35.00 FT</u>	<u>\$3,850.00</u>
<u>38 FT. BENTONITE SURFACE SEAL</u>	<u>\$300.00</u>
<u>ORW PERMIT + REPORT</u>	<u>\$225.00</u>
<u>AIRTESTING OVER 1 HR Add \$550.00 PER HR.</u>	
<u>4" SCH 40 PVC LINER IF NEEDED @ \$9.00 PER FT.</u>	
<u>4" SCH 40 PVC SLOTTED SCREEN IF NEEDED \$800.00</u>	
<u>COLORADO FILTER SAND IF NEEDED @ \$40.00 PER JK.</u>	

Resale # \_\_\_\_\_ Estimated Sales Tax N/A \$ \_\_\_\_\_  
Tax Parcel # 400 Estimated Total \$ 10,960.00

Quotes good for 30 days

As a certified, Licensed/Bonded (Expiration Date January 1, 2019) Drilling Contractor, we agree to complete all work in compliance with regulations governing well construction. HANSEDC947RJ

Date: 3-27-18 Contractor: RON ASPAAS

Terms: Full Payment Within 30 Days After Completion. 1 1/2% per month interest on unpaid balances.

Contractor agrees to advise owner on set-back/regulations and accessibility for equipment.

\*Exact location and access are sole responsibility of owner. Owner responsible for access for drilling equipment from edge of county road to well location. Standby time charged at \$175.00 per hr. plus towing if needed.

**NOTICE TO CUSTOMER**

Hansen Drilling Co, Inc. is registered with the State of Washington, registration HANSEDC947RJ, as a Specialty Contractor and has posted with the state a bond of \$12,000.00 for the purpose of satisfying claims against the contractor of negligent or improper work or breach of contract in the conduct of the contractor's business. This bond may not be sufficient to cover a claim which might arise from the work done under your contract. If any supplier of materials used in your project or any employee of the contractor is not paid by the contractor on your job, your property may be liened to force payment. If you wish additional protection, you may request the contractor to provide you with original "lien release" documents from each supplier or subcontractor on your project. The contractor is required to provide you with further information about lien release documents if you request it. General information is also available from the Department of Labor and Industries. Contractor has the right and intent to file a labor and material lien against said property if not paid as outlined above.

\*ACCEPTANCE: We agree that failure of the contractor to strike water or any specific quantity or quality of water shall in no way release us from payment for services rendered and material installed. The above prices and conditions are satisfactory and are hereby accepted. Payment will be made as outlined above. We agree that if contractor has to place this matter in the hands of an attorney for collection, or for the commencement of suit or action, including arbitration, we will pay contractor's reasonable attorney fees and all contractor's court and collection costs incurred, including lien recording fees, and title search costs. Owner is responsible for access from edge of county road to well site, any cost incurred will be added to billing.

Date: \_\_\_\_\_ Customer: \_\_\_\_\_



## PUBLIC RECORDS POLICY

### Compliance

The District shall fully comply with the Oregon Public Records Law, ORS 192.311 to 192.390

- **Specificity of Request:** In order to facilitate the public's access to records in the District's possession, and to avoid unnecessary expenditure of staff time, persons requesting in writing access to public records for inspection or copying, or who submit written requests for copies of public records, shall specify the records requested with particularity, furnishing the dates, subject matter and such other detail as may be necessary to enable District personnel to readily locate the records sought.
  
- **Acknowledgement of Request:** Within five business days after receipt of such written request, the District will either:
  - **Complete the request by:**
    - Providing access to or copies of all non-exempt requested records, and asserting any exemptions to disclosure having separated exempt material from non-exempt material and telling the requester of appeal rights regarding any exemption asserted; or
    - Providing a written statement:
      - That the District is not the custodian of the record; or
      - That federal or state law prohibits the District from acknowledging whether any requested record exists.
  - **Acknowledge the request by:**
    - Confirming that the District is the custodian of the requested record; in which case the District will complete the request within an additional ten business days or provide a written statement that the District is still processing the request and providing a reasonable estimated completion date; or
    - Informing the requester that the District is not the custodian; or
    - Notifying the requester that the District is unsure whether it is the custodian of the record.

The time periods herein provided will be extended correspondingly when the District tells the requester a fee is due and until the fee is paid or waived, and when the District requests additional information or clarification for the purpose of expediting its response and until the requestor provides this information or affirmatively declines to provide it. The time periods herein provided do not apply if: (1) necessary staff to complete the request is not available, (2) processing the request would impede other necessary services or (3) the volume of requests is too large; however, the District will acknowledge and complete the request as soon as practicable and without unreasonable delay.

The District will close the request after 60 days if the requester fails to pay fees due or fails to respond to a request for information or clarification.

- **Access:** The District shall permit inspection and examination of its non exempt public records during regular business hours in the District's offices, or such other locations as the District Manager may reasonably designate from time to time. Copies of non exempt public records maintained in machine readable or electronic form shall be furnished, if available, in the form requested. If not available in the form requested, such records shall be made available in the form in which they are maintained. ORS 192.440(2). **Fees for Public Records** Fees must be limited to no more than \$25.00 unless the requestor is provided with a written notification of the estimated amount of the fee and the requestor confirms that he/she wants the public body to proceed.

In order to recover its costs for responding to public records requests, the following fee schedule is adopted by the District:

- **Copies of Public Records; Certified Copies:** Copies of public records shall be twenty-five cents per copy for standard, letter size copies. Copies shall be certified for an additional charge of ten dollars.
- **Copies of Sound Recordings:** Copies of sound recordings of meetings shall be ten dollars per copy.
- **Copies of Maps and Other Nonstandard Documents:** Charges for copying maps or other nonstandard size documents shall be charged in accordance with the actual costs incurred by the District.
- **Research Fees:** If a request for records requires District personnel to spend more than 15 minutes searching or reviewing records prior to their review or release for copying, the minimum fee shall be \$50.00 per hour and additional charges shall be in ¼ hour increments. The District shall estimate the total amount of time required to respond to the records request, and the person making the request shall make payment for the estimated cost of the search and copying of the records in advance. If the actual time and costs are less than estimated, the excess money shall be refunded to the person requesting the records. If the actual costs and time are in excess of the estimated time, the difference shall be paid by the person requesting the records at the time the records are produced.
- **Additional Charges:** If a request is of such magnitude and nature that compliance would disrupt the District's normal operation, the District may impose such additional charges as are necessary to reimburse the District for its actual costs of producing the records.
- **Reduced Fee or Free Copies:** Whenever it determines that furnishing copies of public records in its possession at a reduced fee or without costs would be in the public interest, the Board or District Manager may so authorize. ORS 192.440(4).

**Authorization Required for Removal of Original Records** At no time shall an original record of the District be removed from the District's files or the place at which the record is regularly maintained, except upon authorization of the Board of Directors or the District Manager.

**On-Site Review of Original Records** If a request to review original records is made, the District shall permit such a review provided that search fees are paid in advance in accordance with the Fees for Public Records section, above. A representative shall be present at any time original records are reviewed, and the charges for standing by while the records are reviewed shall be the same as the charges for searching or reviewing records.

**Unauthorized Alteration, Removal, or Destruction of Records** If any person attempts to alter, remove or destroy any District record, the District representative shall immediately terminate such person's review, and notify the attorney for the District.

DRAFT

**ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT**

**RESOLUTION 18-02 WD**

**A RESOLUTION REVISING SYSTEM DEVELOPMENT CHARGES (SDC) / EQUIVALENT DWELLING UNIT (EDU) FEES FOR THE ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT (the “District”)**

**Whereas**, the District adopted Ordinance 98-4 WD establishing a System Development Charge methodology and rates; and

**Whereas**, Section 4B of the ordinance provides for adoption of SDC rates by resolution; and

**Whereas**, it is felt prudent to update those charges to more properly reflect changes through investment in District infrastructure and current cost indices; and

**Whereas**, it is determined that one SDC is equal to one Equivalent Domestic Unit (EDU); and

**Whereas**, the District allows for the annual adjustment of fees in accordance with the Engineering News-Record Construction Cost Index (ENR CCI); and

**Whereas**, the ENR CCI used in Resolution 17-03WD was 10,678 and the March 2018 ENR CCI to be applied for the purposes of this Resolution is 10,959 (Index Ratio=10,959/10,678=1.026);

**NOW, THEREFORE**, be it resolved the ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT System Development and Connection Charge herein established become effective May 1, 2018.

<u>¾ inch meter</u>		<u>1 inch meter</u>	
Improvement Fee	\$1,238	Improvement Fee:	\$3,096
Reimbursement Fee	\$4,176	Reimbursement Fee:	\$10,440
Administrative Fee	<u>\$ 53</u>	Administration Fee:	<u>\$135</u>
Total SDC/EDU Charge	\$5,467	Total SDC/EDU Charge:	\$13,671
Connection Charge	\$ 700		

Adopted and signed this \_\_\_\_ day of \_\_\_\_\_ 2017.

Virginia Birkby, President

Attest \_\_\_\_\_

## Manager Report April 20, 2018

### WATER:

The water plant treated 651,000 gallons of water in March

The new work truck purchase has been finalized and staff is now working out of the District's new Dodge Ram 1500. The total purchase price came to \$28,818.94

It was a longer than anticipated wait for delivery, but Lum's Auto in Warrenton made the process very smooth for us. The canopy/ladder rack/bedslide have been ordered and will be installed in May at Northwest Auto Accessories in Portland.

A new HP Office Jet Pro ink jet printer was purchased for the office, and is now ready for use for color copies.

Installed new water services at 31971 Oceanview Ln. and 80289 Pacific Ave.

### **MONTHLY LOG : ARCH CAPE WATER & SANITARY DISTRICTS**

**March      2018**

Total Hours	<b>353.00</b>	<b>186.00</b>	<b>167.00</b>
Percentage Split		<b>53%</b>	<b>47%</b>
Total Accounts	<b>627</b>	<b>288</b>	<b>339</b>
Percentage Split		<b>46%</b>	<b>54%</b>