

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

Thursday February 15, 2024. 6:00 PM

In-Person at the Firehouse and Zoom

<https://us02web.zoom.us/j/87369759588?pwd=RFFDRjIzdFgrZFZOaFlxNlZxSndwQT09>

Arch Cape Sanitary District Meeting

- | | | |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| I. | Call to Order | Casey |
| II. | Public Comments | Casey |
| III. | Agenda Approval (Action) | Casey |
| IV. | Approve January Minutes (Action) – Pg. 2-3 | Casey |
| V. | Financial & Administrative Reporting | |
| | A. Accept January Budget & Balance Sheet - Pg. 4-5 | Casey |
| | B. Accept January Payment of Accounts - Pg. 6 | Casey |
| | C. Treasurer's Report | Darr |
| VI. | Update on Audits | Tom |
| VII. | Amend Policies & Rules (Action) | Casey |
| | <u>Amend Public Contracting Rules</u> | |
| | https://www.archcapewater.org/files/ugd/ccbc7f_808b5db22e0948ef9f85d205c5ec259c.pdf | |
| | (1) CALL TO ORDER JOINT MEETING OF THE DISTRICT BOARD OF DIRECTORS AND LOCAL CONTRACT REVIEW BOARD | |
| | (2) JOINT PUBLIC HEARING REGARDING RESOLUTION AMENDING PUBLIC CONTRACTING RULES FOR ARCH CAPE WATER DISTRICT | |
| | (a) The public hearing will be held for the purpose of taking comments on the District's draft findings supporting the exemption of certain classes of special procurements and public improvement contracts from competitive bidding requirements. | |
| | (b) Introduction and Overview | |
| | (c) Public testimony. | |
| | (3) MOTION TO ADOPT RESOLUTION #24-0216 SD - - Pg. 7-9 | |
| | (4) ADJOURN JOINT MEETING OF THE DISTRICT BOARD/LOCAL CONTRACT REVIEW BOARD\ | |
| VIII. | Reports | |
| | A. Staff Report and Correspondence for Action - Pg. 10 | Matt |
| | B. Board Members' Comments and Reports (March 2 nd Community Forum) | |
| IX. | March Meeting | |
| | A. Budget Meeting March 26 th - Pg. 11 | |
| | B. Other Items | |
| XIII. | Public Comments | Casey |
| XIV. | Adjournment | Casey |

**ARCH CAPE SANITARY DISTRICT
BOARD OF COMMISONERS MEETING
Thursday, January 18, 2024; 7:30 pm**

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

In attendance: Sanitary District: Casey Short, Chair, Darr Tindall, Thomas Mattia, Steve Hill; Staff: Matt Gardner, Teri Fladstol; Public: Mark Engberg

Call to Order: 7:31 pm by Casey Short

Public Comments: None

Agenda Approval: Motion by Darr Tindall to add October minutes to Agenda as presented, Second by Tom Mattia, motion carried.

October Minutes: Motion to accept by Tom Mattia, Second by Darr Tindall, Motion Carried

November Minutes: Motion to accept by Darr Tindall, Second by Tom Mattia, Motion Carried

Comments by Mark Engberg and his application to fill position #3, Motion by Tom Mattia to appoint Mark to position 3 for the remainder of the term. Second by Darr Tindall, Motion Carried; Sworn in by Matt Gardner at 7:38 pm.

Financial and Administrative Reporting: Motion to accept November & December reports by Darr Tindall, Second by Mark Engberg, Motion Carried

Motion to accept November & December Payment of accounts by Darr Tindall, Second by Tom Mattia, Motion carried.

Treasurer Report – Darr Tindall reported that she has reconciled both November and December are reports are in Order.

Casey Short reported that the Water District Board made a motion to appoint Tom Mattia as Board Representative, along with District Staff, Contractor and Auditor to provide Board oversight in bringing the audits up to date; Tom Mattia will oversee audits for both Districts and gave an update on the status for Sanitary to be ready for our review first week of February for the 2021/2022 Fiscal Year. Following that, we should have the 2022/2023 audit that is also due.

Budget Committee status: Casey Short discussed what the rules are for Budget Committees and asked Matt to work to bring the roster up to date so we know how many positions need to be filled. Reminder that Water District members need to be registered voters, Sanitary are not required to be registered voters, just property owners.

Staff Report by Matt Gardner, District Manager: Matt

Board Members Comments and Reports:

Darr Tindall: None

Thomas Mattia: None

Casey Short: Review your email regarding the SDAO Conference in Seaside in February. Let Teri know if you are interested and she can register and mail a check for all attendees.

Steve Hill: Thank you to Matt & Logan for their work!

Mark Engberg: Glad to be here.

February Action Items: Procurement Rules update, Budget Committee Members, Audit Status/Presentation, Webb Lift Station.

Public Comment: None

Motion made by Darr Tindall to adjourn, Second made by Tom Mattia, meeting adjourned at 8:13 pm.

Respectfully submitted,

Teri Fladstol, Secretary

Teri Fladstol, Secretary

Attest:

DRAFT

ARCH CAPE SANITARY DISTRICT - BUDGET VS ACTUAL 2023/2024 FY

BY CLASS

GENERAL FUND - Income	Budget	YTD Jan 24	Unspent	%
01-4100 · General Fund - Beginning Balance	\$ 190,752		\$ 190,752	0%
01-4400 · WD Facilities Use Charge	\$ 3,750		\$ 3,750	0%
01-4601 · Base Rate Meter Sales	\$ 354,000	\$ 198,145	\$ 155,855	44%
01-4604 · Overage/Excess Usage	\$ 17,700	\$ 25,280	\$ (7,580)	
01-4605 · Debt Service	\$ 38,232	\$ 21,679	\$ 16,553	43%
01-4750 · LGIP - Additions - General Fund		\$ 10,786	\$ (10,786)	
TOTAL REVENUE	\$ 413,682	\$ 255,890	\$ 157,792	38%
TOTAL RESOURCES	\$ 604,434	\$ 255,890	\$ 348,544	58%
GENERAL FUND - Expenses				
01-5999 · Inter-Govern Agreement (IGA)	\$ 157,500	\$ 59,919	\$ 97,581	62%
01-6000 · Materials & Services				
01-6103 · Liability & Property Insurance	\$ 16,100	\$ 15,905	\$ 195	1%
01-6104 · Licenses	\$ 3,500	\$ 3,190	\$ 310	9%
01-6105 · Dues & Taxes	\$ 1,200	\$ 2,756	\$ (1,556)	-130%
01-6106 · Professional Services	\$ 5,000	\$ -	\$ 5,000	100%
01-6107 · Auditing Service	\$ 10,000	\$ -	\$ 10,000	100%
01-6108 · Legal Services	\$ 5,000	\$ 953	\$ 4,047	81%
01-6109 · Notices	\$ 700	\$ -	\$ 700	100%
01-6110 · Utilities	\$ 46,000	\$ 24,567	\$ 21,433	47%
01-6111 · Emergency Sanitation	\$ 500	\$ -	\$ 500	100%
01-6200 · Maintenance	\$ 115,489	\$ 30,664	\$ 84,825	73%
01-6201 · Chemicals	\$ 7,000	\$ -	\$ 7,000	100%
TOTAL MATERIALS & SERVICES	\$ 367,989	\$ 137,954	\$ 230,035	63%
01-7500 · Debt Service - General Fund	\$ 38,702	\$ 38,702	\$ -	0%
01-8000 · Contingency - General Fund - Other	\$ 54,735	\$ -	\$ 54,735	100%
01-8003 · Undesignated - General Fund	\$ 143,008	\$ -	\$ 143,008	100%
TOTAL DEBT SERVICE & CONTINGENCY	\$ 236,445	\$ 38,702	\$ 197,743	84%
TOTAL REQUIREMENTS:	\$ 604,434	\$ 176,656	\$ 427,778	71%
CAPITAL FUND - Income				
02-4100 · Beginning Balance - Capital Fun	\$ 191,275		\$ 191,275	0%
02-4550 · SDC Revenue	\$ 19,698	\$ 19,411	\$ 287	1%
TOTAL REVENUE	\$ 19,698	\$ 19,411	\$ 287	
TOTAL RESOURCES:	\$ 210,973	\$ 19,411	\$ 191,562	91%
CAPITAL FUND - Expense				
02-7000 · Capital Outlay - Capital Fund	\$ 55,000	\$ 29,450	\$ 25,550	46%
02-8000 · Contingency - Capital Fund				
02-8001 · Operating Contingencies - Capit	\$ 155,973	\$ -	\$ 155,973	0%
TOTAL REQUIREMENTS:	\$ 210,973	\$ 29,450	\$ 181,523	
GO BOND DEBT - Income				
03-4100 · Beginning Balance - Go Bond Deb				
03-4101 · Undesignated Bal - SD Go Debt	\$ 15,426	\$ -	\$ 15,426	0%
03-4750 · LGIP - Additions - SD Go Bond	\$ 144,600	\$ 136,834	\$ 7,766	93%
TOTAL REVENUE:	\$ 144,600	\$ 136,834	\$ 7,766	
TOTAL RESOURCES:	\$ 160,026	\$ 136,834	\$ 23,192	93%
GO BOND DEBT - Expense				
03-7000 · Capital Outlay - SD Go Bond Deb	\$ 144,600	\$ -	\$ 144,600	0%
03-8000 · Contingency - SD Go Bond Debt	\$ 15,426	\$ -	\$ 15,426	0%
TOTAL REQUIREMENTS:	\$ 160,026	\$ -	\$ 160,026	

5:20 PM

02/09/24

Cash Basis

Arch Cape Sanitary District
Balance Sheet
As of January 31, 2024

	<u>Jan 31, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
00-1000 · #1218 Main Checking	275,434.86
01-1100 · LGIP - General Fund	162,876.15
03-1100 · LGIP - SD Go Bond Debt Fund	218,023.14
Total Checking/Savings	656,334.15
Total Current Assets	656,334.15
TOTAL ASSETS	656,334.15
LIABILITIES & EQUITY	
Equity	
01-3000 · Opening Balance Equity	271,136.46
01-3200 · Retained Earnings	179,176.99
Net Income	206,020.70
Total Equity	656,334.15
TOTAL LIABILITIES & EQUITY	656,334.15

Type	Num	Date	Name	Account	Paid Amount
Check	EFT	1/2/2024	Spectrum Business	01-6110 · Utilities	-259.96
Check	EFT	1/3/2024	Safeway	Lab Tests & Supplies	-48.87
Check	EFT	1/3/2024		01-4601 · Refund (Sale of House)	-287.8
Check	9129	1/4/2024	Walter E. Nelson	01-6200 · Maintenance	-280.4
Check	9132	1/4/2024	Bob McEwan Construction	01-6200 · Maintenance	-795
Check	9133	1/4/2024	Local Governement Law Group, PC	01-6108 · Legal Services	-750
Check	9135	1/4/2024	Recology Western Oregon	01-6110 · Utilities	-58.57
Check	EFT	1/9/2024	Equipment Rental Services	Corrective Maintenance	-345.1
Check	9136	1/11/2024	SDIS	01-6103 · Liability & Property Insurance	-15905
Check	9137	1/11/2024	Walter E. Nelson	01-6200 · Maintenance	-54.15
Check	9138	1/11/2024	Pacific Power	01-6110 · Utilities	-3804.87
Check	9139	1/11/2024	Eds Septic	BioSolids	-3325
Check	EFT	1/17/2024	Cannon Beach Fresh Foods	Lab Tests & Supplies	-2.29
Check	EFT	1/17/2024	Ace Hardware - Seaside	BioSolids	-94.86
Check	9140	1/17/2024	USA BlueBook	Lab Tests & Supplies	-230.01
Check	EFT	1/18/2024	EZ Shipping	01-6200 · Maintenance	-102.18
Check	EFT	1/22/2024	OSU Soil Health Laboratory	01-6000 · Materials & Services	-70
Check	EFT	1/22/2024	Google	01-6200 · Maintenance	-1.99
Check	EFT	1/22/2024	Microsoft	01-6105 · Dues & Taxes	-8.25
Check	EFT	1/22/2024	1st Security Bank	01-6200 · Maintenance	-10
Check	9141	1/25/2024	North Central Lab	Lab Tests & Supplies	-932.34
Check	9142	1/25/2024	Backflow Valve Services	01-6200 · Maintenance	-286
Check	EFT	1/30/2024	Spectrum Business	01-6110 · Utilities	-259.96

RESOLUTION NO. 2024-0216 SD

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

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

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

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

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

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

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

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

NOW, THEREFORE, it is resolved as follows:

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

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

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

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

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

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

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

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

DATED this ____ day of _____, 20__.

_____, President
Board of Directors

_____, President
Local Contract Review Board

ATTEST:

ATTEST:

_____, Secretary
Board of Directors

_____, Secretary
Local Contract Review Board

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February 2024 Staff Report

Major accomplishments:

Sanitary

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

Water

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

Water / Sanitary

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

2024 Arch Cape Water and Sanitary Budget Committee

Board	Community	Term
1. Bill Campbell		
2. Tevis Dooley III		
3. Chris Mastrandrea		
4. Bob Cerelli		
5. Sam Garrison		
	1. Mike Wadtke	2023-2025
	2. Dale Mosby	2023-2025
	3. Lauren Ahlgren	2022-2024
	4. Joe Sherman	2021-2023
CHAIR	5.	2024-2026

Schedule:

March 26th, 2024

Board	Community	Term
1. Casey Short		
2. Darr Tindall		
3. Thomas Mattia		
4. Steve Hill		
5. Mark Enberg		
	1. Mike Wodtke	2023-2025
	2. Dale Mosby	2023-2025
	3. Lauren Ahlgren	2022-2024
	4. Joe Sherman	2022-2024
CHAIR	5.	