

OAK LODGE WATER SERVICES

BUDGET COMMITTEE



April 12, 2022

April 26, 2022

April 28, 2022

“Enhancing Our Community’s Water Environment”



REMOTE MEETINGS

Board/Committee Attendance by Zoom

Public Attendance by Telephone Only

April 12, 2022 at 6:00 p.m.

April 26, 2022 at 6:00 p.m.

April 28, 2022 at 6:00 p.m.

1. Call to Order and Meeting Facilitation Protocols
2. Appointment of Budget Committee (Board Action Only)
3. Call for Public Comment

Members of the public are welcome to testify for a maximum of three minutes on budget items.

4. Election of Budget Committee Officers
5. Consent Agenda
 - a. April 13, 2021 Budget Committee Meeting Minutes
 - b. April 15, 2021 Budget Committee Meeting Minutes
 - c. April 22, 2021 Budget Committee Meeting Minutes
 - d. April 27, 2021 Budget Committee Meeting Minutes
 - e. April 29, 2021 Budget Committee Meeting Minutes

6. Presentation of the Budget Message
7. Presentation of the Capital Improvement Plan
8. Presentation of the Proposed Budget
9. Committee Deliberation
10. Call for Public Comment

Members of the public are welcome to testify for a maximum of three minutes on budget items.

11. Approval of FY 2022-23 Budget
12. Adjourn Regular Meeting

STAFF REPORT

To Board of Directors
From Gail Stevens, Finance Director
Title Appointment of Budget Committee Members (Board Action Only)
Item No. 2
Date April 12, 2022

Summary

Each year Staff requests the Board approve the Budget Committee members for open positions. This year Positions 3 and 4 are due for re-appointment. Additionally, Position 1 has been vacated and an eligible candidate is available for appointment.

Background

Oregon Local Budget Law ORS 294.35 through 294.565 requires the governing body to appoint the District's Budget Committee. To avoid the entire Budget Committee turning over at the same time, each position was assigned a term. The District's Budget Committee consists of the five members of the District Board and five electors of the District.

Recommendation

The Finance Director is recommending the Board make the following actions:

Position 1 – Appoint Mark Elliott to this position for the remainder of the term, through 6/30/2023.

Position 3 – Re-appoint Robert Weber to this position for the 3-year term, through 6/30/2024.

Position 4 – Re-appoint Ron Weigel to this position for the 3-year term, through 6/30/2024.

Suggested Board Motion

“I move to appoint Mark Elliott to Position 1, Robert Weber to Position 3, and Ron Weigel to Position 4.”



AGENDA ITEM

Title	Call for Public Comment
Item No.	3
Date	April 12, 2022

Summary

The Budget Committee welcomes comment from members of the public.

Written comments may not be read out loud or addressed during the meeting, but all public comments will be entered into the record.

The Budget Committee may elect to limit the total time available for public comment or for any single speaker depending on meeting length.



STAFF REPORT

To	Budget Committee
From	Gail Stevens, Finance Director
Title	Election of Budget Committee Officers
Item No.	4
Date	April 12, 2022

Summary

Annual election of Budget Committee Officers for the following positions: Chair and Secretary/Vice Chair.

Background

Oregon Local Budget Law ORS 294.336(9) requires the Budget Committee to elect a presiding officer from among its members at the first meeting after its appointment. The Oak Lodge Water Services District Budget Committee has named the office of the presiding officer the Budget Committee Chair.

Historically, the Budget Committee has also elected a Secretary to chair meetings in the absence of the presiding officer. The formal title of this position is Secretary/Vice Chair, mirroring the titles and responsibilities of the Oak Lodge Water Services District Board of Directors.

Other responsibilities of both officers include execution of the budget document and execution of approved meeting minutes.

Past Budget Committee Actions

During the Fiscal Year (FY) 2021-22 budget process the following Budget Committee members served as officers:

Amanda Gresen as Budget Committee Chair

Robert Weber as Budget Committee Secretary/Vice Chair

Recommendation

Staff requests that the Budget Committee appoint the Chair and Secretary/Vice Chair for the FY 2022-23 Oak Lodge Water Services District Budget Committee.

Suggested Budget Committee Motion

"I move that the Budget Committee elect _____ as Chair for FY 2022-23."

"I move that the Budget Committee elect _____ as Secretary/Vice Chair for FY 2022-23."

CONSENT AGENDA

To Budget Committee
From Gail Stevens, Finance Director
Title Consent Agenda
Item No. 5
Date April 12, 2022

Summary

The Board of Directors has a standing item on the regular monthly meeting agenda called "Consent Agenda." It is proposed that the Budget Committee do the same for its regular business during the first meeting of each fiscal year. This subset of the regular agenda provides for the Committee to relegate routine business functions not requiring discussion to a consent agenda where all included items can be acted upon by a single act.

The Consent Agenda includes:

- a. **April 13, 2021 Budget Committee Meeting Minutes**
- b. **April 15, 2021 Budget Committee Meeting Minutes**
- c. **April 22, 2021 Budget Committee Meeting Minutes**
- d. **April 27, 2021 Budget Committee Meeting Minutes**
- e. **April 29, 2021 Budget Committee Meeting Minutes**

Options for Consideration

1. Approve the Consent Agenda as listed on the meeting agenda.
2. Request one or more items listed on the Consent Agenda be pulled from the Consent Agenda for discussion.

Recommendation

Staff requests that the Budget Committee approve the items listed under the Consent Agenda.

Suggested Budget Committee Motion

"I move to approve the Consent Agenda."

Approved By _____

Date _____



**BUDGET COMMITTEE
[REMOTE] MEETING MINUTES – 6:00 P.M.
APRIL 13, 2021**

Budget Committee – Members Present via Zoom:

Paul Gornick	Board of Directors
Ginny Van Loo	Board of Directors
Mark Knudson	Board of Directors
Susan Keil	Board of Directors
Kevin Williams	Board of Directors
Ann-Marie Cordova	Citizen Representative
Amanda Gresen	Citizen Representative
Robert Weber	Citizen Representative
Jim Martin	Citizen Representative

Budget Committee – Members Absent:

Ron Weigel	Citizen Representative
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Oak Lodge Water Services Staff – Present via Zoom:

Sarah Jo Chaplen	General Manager
Gail Stevens	Finance Director
Jason Rice	District Engineer
Aleah Binkowski-Burk	Human Resources/Payroll Manager
David Mendenhall	Plant Operations Manager
Brad Lyon	Field Operations Supervisor
Laural Casey	District Recorder

Consultants – Present via Zoom:

Jeff Page	Incoming Utility Operations Director
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1. Call to Order and Meeting Facilitation Protocols

Director Gornick called the meeting to order at 6:01 p.m.

General Manager Chaplen welcomed everyone and asked District Recorder Casey to facilitate a roll call. District Recorder Casey facilitated the roll call of Budget Committee members, staff, and consultants.

General Manager Chaplen overviewed the general protocols of a virtual meeting due to the COVID-19 pandemic.

2. Call for Public Comment

Director Gornick asked District Recorder Casey if any written comments had been submitted. District Recorder Casey stated there were none.

President Gornick asked District Recorder Casey if there were any members of the public in attendance. District Recorder Casey stated there were none.

3. Committee Orientation

Finance Director Stevens conducted a committee orientation including the purpose, guiding rules and requirements, roles and responsibilities, internal aspects, timelines and milestones, deliverables, and execution of a budget.

Director Knudson inquired about the difference between the process for a supplemental budget and a budget adjustment. Finance Director Stevens explained both, highlighting the determining factor to be whether monies move between funds (supplemental) or within funds (adjustment).

Director Van Loo inquired about the operating fund contingency percentage. Finance Director Stevens explained the goal for operating fund contingencies is twenty-five percent.

4. Election of Budget Committee Officers

Finance Director Stevens outlined the officer positions.

Director Williams moved to elect Citizen Representative Gresen as Budget Committee Chair for the fiscal year 2021/2022. Director Knudson seconded. District Recorder Casey conducted a roll call vote. Voting Aye: Directors Gornick, Knudson, Williams, and Van Loo; Citizen Representatives Cordova, Gresen, Martin, and Weber.

MOTION CARRIED

Director Williams moved to elect Citizen Representative Weber as Budget Committee Secretary/Vice Chair for the fiscal year 2021/2022. Director Knudson seconded. District Recorder Casey conducted a roll call vote. Voting Aye: Directors Gornick, Knudson, Williams, and Van Loo; Citizen Representatives Cordova, Gresen, Martin, and Weber.

MOTION CARRIED

5. Consent Agenda

Chair Gresen outlined the items on the Consent Agenda and invited a motion.

Director Van Loo moved to approve the Consent Agenda. Director Gornick seconded. Director Gornick asked District Recorder Casey to conduct a roll call vote. Voting Aye: Directors Gornick, Knudson, Williams, and Van Loo; Citizen Representatives Cordova, Gresen, Martin, and Weber.

MOTION CARRIED

6. Presentation of the Budget Message

General Manager Chaplen spoke about various events with impacts on the District in the previous 12 months. She noted the continuing levels of service were only possible because of the creativity/ingenuity of staff members and the prior Board resilience infrastructure improvements.

Finance Director Stevens overviewed the March 2021 Oregon Economic and Revenue Forecast and the outlook of Oregon, Clackamas County, and the District.

Director Gornick asked for information related to delinquent accounts. Finance Director Stevens explained the trends in the last year, the delinquency process, and the total amount of delinquent revenue.

Director Knudson asked if staff were proposing refinement of the Emergency Customer Assistance Program (ECAP). Finance Director Stevens and General Manager Chaplen spoke to current funds, program use, and possible refinements that would be introduced during the April 20, 2021 Board of Directors meeting. Director Knudson wanted the Committee to understand how the program was created and the current data at hand.

7. Adjourn Meeting

Chair Gresen adjourned the meeting at 7:28 p.m.

Respectfully submitted,

Chair, Budget Committee

Date: _____

Secretary/Vice Chair, Budget Committee

Date: _____



**BUDGET COMMITTEE
[REMOTE] MEETING MINUTES – 6:00 P.M.
APRIL 15, 2021**

Budget Committee – Members Present via Zoom:

Paul Gornick	Board of Directors
Ginny Van Loo	Board of Directors
Mark Knudson	Board of Directors
Susan Keil	Board of Directors
Kevin Williams	Board of Directors
Amanda Gresen	Citizen Representative
Robert Weber	Citizen Representative
Ron Weigel	Citizen Representative
Jim Martin	Citizen Representative

Budget Committee – Members Absent:

Ann-Marie Cordova	Citizen Representative
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Oak Lodge Water Services Staff – Present via Zoom:

Sarah Jo Chaplen	General Manager
Gail Stevens	Finance Director
Jason Rice	District Engineer
Aleah Binkowski-Burk	Human Resources/Payroll Manager
David Mendenhall	Plant Operations Manager
Brad Lyon	Field Operations Supervisor
Laural Casey	District Recorder

Consultants – Present via Zoom:

Jeff Page	Incoming Utility Operations Director
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1. Call to Order and Meeting Facilitation Protocols

Chair Gresen called the meeting to order at 6:03 p.m.

General Manager Chaplen welcomed everyone and asked District Recorder Casey to facilitate a roll call. District Recorder Casey facilitated the roll call of Budget Committee members, staff, and consultants.

General Manager Chaplen overviewed the general protocols of a virtual meeting due to the COVID-19 pandemic.

2. Call for Public Comment

Chair Gresen asked District Recorder Casey if any written comments had been submitted. District Recorder Casey stated there were none.

Chair Gresen asked District Recorder Casey if there were any members of the public in attendance. District Recorder Casey stated there were none.

3. Presentation of the Proposed Budget

Finance Director Stevens presented the fiscal year 2021-2022 Proposed Budget by first highlighting the District's commitments, the difference between resources and requirements, revenue generating funds, debt service funds, and fund balance targets. She outlined the proposed staffing changes and requested budgetary additions. Finance Director Stevens then detailed each fund in the Proposed Budget.

The Budget Committee asked clarifying questions throughout Finance Director Stevens' presentation related to reserve funds, debt services, wastewater personnel costs, workers compensation tracking, contracted services, and watershed swale maintenance.

Director Gornick noted clerical errors on pages 18, 25, and 39 of the Proposed Budget and suggested changes.

Finance Director Stevens answered questions about the proposed staffing changes including how the positions would increase compliance with State and Federal standards, and how the positions were cost share allocated with North Clackamas County Water Commission and Clackamas River Water Providers. There was also discussion regarding the title of the proposed positions.

Director Knudson inquired about the Trimet tax increase, proposed SCADA (supervisory control and data acquisition) costs, and potential underbudgeting of overtime in the Wastewater Reclamation Fund.

Director Keil inquired about leased properties, the pressure vessel fee, and Rotary membership.

Director Van Loo inquired about Federal, State, and County COVID-Relief funds. She asked for a list of the type of funds received and from what sources.

Citizen Representative Weber noted a clerical error on page 5. He inquired about the calculation of the proposed rate increase for the average residential customer, the allocation of FTE in the Technical Services Department, if the proposed Finance position would be considered revenue generating, and whether the increase in the Drinking Water Fund sales was due to the proposed rate increase or anticipated volume increase.

There were further questions regarding the anticipated loss of revenue due to delinquent accounts. Finance Director Stevens explained the historical and current percentages.

Citizen Representative Martin noted a historical staffing analysis completed before the District consolidation, stating the District would need to justify an increase in administrative positions to the public.

4. Adjourn Meeting

Chair Gresen adjourned the meeting at 8:28 p.m.

Respectfully submitted,

Chair, Budget Committee

Date: _____

Secretary/Vice Chair, Budget Committee

Date: _____



**BUDGET COMMITTEE
[REMOTE] MEETING MINUTES – 6:00 P.M.
APRIL 22, 2021**

Budget Committee – Members Present via Zoom:

Ginny Van Loo	Board of Directors
Mark Knudson	Board of Directors
Susan Keil	Board of Directors
Kevin Williams	Board of Directors
Ann-Marie Cordova	Citizen Representative
Amanda Gresen	Citizen Representative
Ron Weigel	Citizen Representative
Robert Weber	Citizen Representative
Jim Martin	Citizen Representative

Budget Committee – Members Absent:

Paul Gornick	Board of Directors
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Oak Lodge Water Services Staff – Present via Zoom:

Sarah Jo Chaplen	General Manager
Gail Stevens	Finance Director
Jason Rice	District Engineer
Aleah Binkowski-Burk	Human Resources/Payroll Manager
David Mendenhall	Plant Operations Manager
Brad Lyon	Field Operations Supervisor
Laural Casey	District Recorder

Consultants – Present via Zoom:

Jeff Page	Incoming Utility Operations Director
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1. Call to Order and Meeting Facilitation Protocols

Chair Gresen called the meeting to order at 6:02 p.m.

General Manager Chaplen welcomed everyone and asked District Recorder Casey to facilitate a roll call. District Recorder Casey facilitated the roll call of Budget Committee members, staff, and consultants.

General Manager Chaplen overviewed the general protocols of a virtual meeting due to the COVID-19 pandemic.

2. Call for Public Comment

Chair Gresen asked District Recorder Casey if any written comments had been submitted. District Recorder Casey stated there were none.

Chair Gresen asked District Recorder Casey if there were any members of the public in attendance. District Recorder Casey stated there were none.

3. Presentation of the Capital Improvement Plan

District Engineer Rice presented the proposed Capital Improvement Plan overviewing the purpose of the Plan and how projects are included. He summarized the capital projects in Watershed Protection, Wastewater, Vehicles, and Water.

Director Keil and District Engineer Rice discussed the District's work on an asset management system.

Director Van Loo asked questions related to the District's vehicles, including maintenance costs and mileage. Finance Director Stevens explained the District's tracking systems.

Director Williams inquired about manhole repairs stating the proposed budget of \$100,000 seemed low. District Engineer Rice explained the new manhole inspection process and how the proposed funds may increase based on findings.

Director Knudson asked clarifying questions on various projects throughout the entire Plan, including topics such as engineering capacity, stormwater, sewer pump stations, generators, and valves.

Director Keil stated the District was not in a position to complete every project on the schedule without a robust ranking system. She noted reservation regarding consultants managing consultants on District projects. General Manager Chaplen explained the District's use of consultants and the large amount of infrastructure work to complete in the coming years.

Director Keil asked questions and provided comments on several other projects including stormwater levels of service, pump stations, generators, and large meter testing.

Chair Gresen noted the community's sensitivity to studies that have rate implications and agreed with Director Keil that the community should be involved.

Chair Gresen and Citizen Representative Weber stated they would send District Engineer Rice various smaller edits to the Plan.

Citizen Representative Weber asked clarifying questions related to the carryover and new Master Plan related projects, the increased price of the Sanitary Master Plan, and the deferred decant facility expansion.

Citizen Representative Weigel asked clarifying questions related to the clarifier refurbishment project, lateral repairs, and water interties.

Citizen Representative Martin discussed taking a pragmatic approach to the stormwater levels of service study and including the County in public meetings and public engagement.

General Manager Chaplen asked to add an item to the agenda. The Budget Committee consensus was to defer any additional agenda items to next meeting. There was a discussion regarding the upcoming meeting's agenda. Director Knudson asked for a summary of the proposed Budget and Capital Improvement Plan, including any changes, at the next meeting.

4. Adjourn Meeting

Chair Gresen adjourned the meeting at 8:21 p.m.

Respectfully submitted,

Chair, Budget Committee

Date: _____

Secretary/Vice Chair, Budget Committee

Date: _____



**BUDGET COMMITTEE
[REMOTE] MEETING MINUTES – 6:00 P.M.
APRIL 27, 2021**

Budget Committee – Members Present via Zoom:

Paul Gornick	Board of Directors
Ginny Van Loo	Board of Directors
Mark Knudson	Board of Directors
Susan Keil	Board of Directors
Kevin Williams	Board of Directors
Ann-Marie Cordova	Citizen Representative
Amanda Gresen	Citizen Representative
Robert Weber	Citizen Representative
Ron Weigel	Citizen Representative
Jim Martin	Citizen Representative

Budget Committee – Members Absent:

Oak Lodge Water Services Staff – Present via Zoom:

Sarah Jo Chaplen	General Manager
Gail Stevens	Finance Director
Jason Rice	District Engineer
Aleah Binkowski-Burk	Human Resources/Payroll Manager
David Mendenhall	Plant Operations Manager
Jeff Page	Utility Operations Director
Brad Lyon	Field Operations Supervisor
Laural Casey	District Recorder
Alexa Morris	Outreach & Communications Specialist

1. Call to Order and Meeting Facilitation Protocols

Chair Gresen called the meeting to order at 6:03 p.m.

General Manager Chaplen welcomed everyone and asked District Recorder Casey to facilitate a roll call. District Recorder Casey facilitated the roll call of Budget Committee members, staff, and consultants.

General Manager Chaplen overviewed the general protocols of a virtual meeting due to the COVID-19 pandemic.

2. Public Hearing on the Proposed Budget

Chair Gresen stated the purpose of the public hearing and opened the hearing for public testimony.

Chair Gresen asked District Recorder Casey if any written comments had been submitted. District Recorder Casey stated there were none.

President Gornick asked District Recorder Casey if there were any members of the public in attendance. District Recorder Casey stated there were none.

Hearing no further testimony, Chair Gresen closed the public hearing.

3. Committee Deliberation

General Manager Chaplen summarized the Budget Committee's questions and comments, providing answers and calling on staff to provide further explanations. Topics of explanation and included clerical errors, SCADA (supervisory control and data acquisition) upgrades and maintenance, emergency relief funds, taxes and fees updates, staff overtime, changes made due to the Union contract, property leases, revenue and collections, manholes, general Capital Improvement Plan updates, and proposed finance staff options.

The Budget Committee asked questions and provided comments related to capital projects, financial planning, proposed staffing, the Non-Revenue Water Audit, and service rates.

Following the Committee discussion regarding proposed service rates, Director Knudson asked for staff to provide a new rate proposal at the next meeting. Mark asked for a new rate proposal.

4. Adjourn Meeting

Chair Gresen adjourned the meeting at 8:56 p.m.

Respectfully submitted,

Chair, Budget Committee

Date: _____

Secretary/Vice Chair, Budget Committee

Date: _____



**BUDGET COMMITTEE
[REMOTE] MEETING MINUTES – 6:00 P.M.
APRIL 29, 2021**

Budget Committee – Members Present via Zoom:

Paul Gornick	Board of Directors
Ginny Van Loo	Board of Directors
Mark Knudson	Board of Directors
Susan Keil	Board of Directors
Kevin Williams	Board of Directors
Ann-Marie Cordova	Citizen Representative
Amanda Gresen	Citizen Representative
Robert Weber	Citizen Representative
Ron Weigel	Citizen Representative
Jim Martin	Citizen Representative

Budget Committee – Members Absent:

Oak Lodge Water Services Staff – Present via Zoom:

Sarah Jo Chaplen	General Manager
Gail Stevens	Finance Director
Jason Rice	District Engineer
Aleah Binkowski-Burk	Human Resources/Payroll Manager
David Mendenhall	Plant Operations Manager
Jeff Page	Utility Operations Director
Brad Lyon	Field Operations Supervisor
Laural Casey	District Recorder
Alexa Morris	Outreach & Communications Specialist

1. Call to Order and Meeting Facilitation Protocols

Chair Gresen called the meeting to order at 6:01 p.m.

General Manager Chaplen welcomed everyone and asked District Recorder Casey to facilitate a roll call. District Recorder Casey facilitated the roll call of Budget Committee members, staff, and consultants.

General Manager Chaplen overviewed the general protocols of a virtual meeting due to the COVID-19 pandemic.

2. Call for Public Comment

Chair Gresen asked District Recorder Casey if any written comments had been submitted. District Recorder Casey stated there were none.

Chair Gresen asked District Recorder Casey if there were any members of the public in attendance. District Recorder Casey stated there were none.

3. Committee Deliberation

Finance Director Stevens answered outstanding Committee questions and summarized the most recent changes to the Proposed Budget.

The Budget Committee asked clarifying questions related to the North Clackamas County Water Commission rates and the funding of proposed staff positions, as well as provided final editorial comments.

District Engineer Rice summarized the updates made to the Proposed Capital Improvement Plan (CIP).

The Budget Committee asked questions and provided comments regarding the naming of projects, increased readability of fleet data in fiscal year 2023's CIP, the natural gas generator project, grants, electricity costs, and eliminated projects.

Chair Gresen invited a motion. Director Gornick moved to approve the Proposed Budget for fiscal year 2021/2022 as presented in version three. Citizen Representative Cordova seconded. District Recorder Casey conducted a roll call vote. Voting Aye: Directors Gornick, Keil, Knudson, Van Loo, and Williams; Citizen Representatives Cordova, Gresen, Martin, Weber, and Weigel.

MOTION CARRIED

Directors Keil and Knudson thanked staff and the Committee's Citizen Representatives.

Citizen Representative Weber asked that a high-level budget roll-up be included in the next fiscal year budget to provide a summary of the District's financial health at a glance.

4. Adjourn Meeting

Chair Gresen adjourned the meeting at 7:09 p.m.

Respectfully submitted,

Chair, Budget Committee

Date: _____

Secretary/Vice Chair, Budget Committee

Date: _____

Oak Lodge Water Services District
CAPITAL IMPROVEMENT PLAN
Fiscal Years 2023 - 2028



Table of Contents

<u>CIP Message</u>	<u>2</u>
<u>Document Guide</u>	<u>3</u>
<u>CIP Overview</u>	<u>4</u>
<u>Summary Information</u>	<u>5</u>
<u>Multi-Document Transparency</u>	<u>7</u>
<u>CIP Process</u>	<u>8</u>
<u>Vehicle Replacement Schedule</u>	<u>9</u>
<u>Watershed Protection Project Section</u>	<u>10</u>
<u>Wastewater Project Section</u>	<u>13</u>
<u>Water Project Section</u>	<u>33</u>
<u>Contact Information</u>	<u>Back Cover</u>

Message from the Interim District Engineer

Resource management is such an important function for any service provider and Oak Lodge Water Services District (District) is no different in this regard. Finding a balance between exemplary customer service and the cost to provide that service is key to the success of public organizations. In order to achieve this balance, one tool the District uses is a Capital Improvement Plan (CIP) because our service is heavily dependent upon physical infrastructure such as pipes. This document monetarily prepares for the expansion and maintenance of your Wastewater and Water systems as well as the provision of Watershed Protection services.

As this document is being produced, staff has the benefit of a newly adopted Water Master Plan to pull prioritized water projects from. And while staff is working to complete its Wastewater Master Plan by the end of the 2022, it will the advantage of a prioritized project list to pull from for the FY24 budget cycle.

In parallel to the creation of the Wastewater Maste Plan, staff is simultaneously negotiating an updated permit with DEQ for the operation of your Water Reclamation Facility. This new permit is likely to layer more stringent standards on the plant; standards in which it currently cannot meet. To stay ahead of this, the District is looking to fund a Tertiary Filter Project (found on page 23). This is an example of how important it is for this document to look beyond the current fiscal year.

This proactive approach will not only save our rate payers money, but will enhance services due to time savings. Like a house waiting for a roof failure, that failure creates more damage to the house and costs more to repair than it would proactively; the same holds true for the District's investment in your infrastructure.

We at the District, hope that this document provides clear, concise and transparent information to you as our rate payer. As a result of reading this document, we hope you gain a better understanding of how the investment of revenue from your rates ensure your Water, Wastewater and surface water systems remain functioning well into the future. If you have any questions about this document, I encourage you to contact me at (503) 353-4202.

Sincerely,

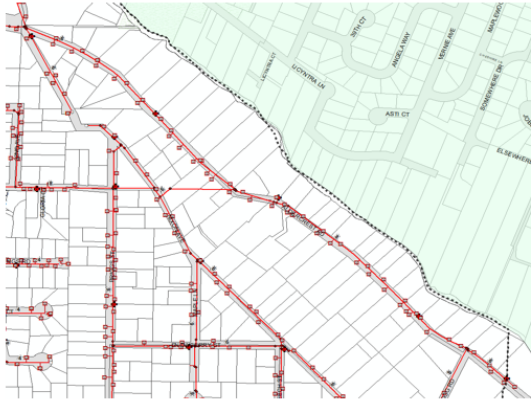
A handwritten signature in blue ink that reads "JASON RICE". The signature is stylized and written in all caps.

Jason Rice, PE
Oak Lodge Water Services District
Interim District Engineer

How to Use This Document

This six-year Capital Improvement Plan document provides detailed descriptions about projects organized by fund. Each fund section begins with a summary overview of the function of the fund followed by funding and project information. Summary tables and graphs highlight the capital projects within each fund. Following the summary section are detailed breakdowns of each project, along with project schedules, cost estimates, and operating budget impacts.

Summary information of all capital projects sorted by fund, and funding source are included as appendices to this document.

Aldercrest Road								
								
Project Description								
Replacement of 3,025 feet of 6-inch and 8-inch ductile iron pipe with 8-inch ductile iron pipe.								
Project Justification								
During the creation of the Water System Master Plan, Operations Staff identified and prioritized six pipeline projects based on age and condition. This project was prioritized by staff to be the single most important project to the District when trying to avoid main breaks.								
Future Operating Cost Impact								
Completion of this project would lessen overall main breaks and thus lower operating costs.								
Budget Information and Projected Costs								
Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ 355,000	\$ 1,195,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,195,000	\$ -
SDC Improvement Fee Eligibility: 9.7%								

Capital Improvement Plan Overview

The six-year Capital Improvement Plan (CIP) establishes guidance and planning for the District’s investments in capital infrastructure. At the foundation of the CIP are the District’s Surface Water, Wastewater and Water Master Plan documents. These master plans illustrate the long-term needs and goals of each department as defined by community input, advisory groups, expert consultants, and District Staff, and District Board goals, operational (i.e. service delivery) needs, and regulatory requirements further refine and shape the CIP.

Projects within the CIP are prioritized and matched with projections of future revenues. Inclusion of a project within this document does not necessarily reflect a budgeted spending commitment, but is the anticipated priority at this snapshot in time based on estimated future revenues. Current revenues are not enough to keep up with all the capital needs of the District. Additionally, there are restrictions on many revenue sources in relation to where the funds may be spent.

As compared to Capital Outlay line in the Budget, which may include purchases as low as \$2,500 and have a useful life of at least one year. A capital “project” contained within this document is defined by complexity of the work.

The CIP is intended as a method of communication with citizens, businesses, advisory groups, and the Board of Directors. It gives the public the opportunity to see the District’s proposed plans for the future and provide feedback to the Board and Staff.

The goal of this Capital Improvement Plan is to provide the maximum sustainable level of priority capital investments to deliver outcomes that are of the highest importance to our citizens and provide for a healthy, safe, active, efficient, and optimized community with excellent livability and quality of life.

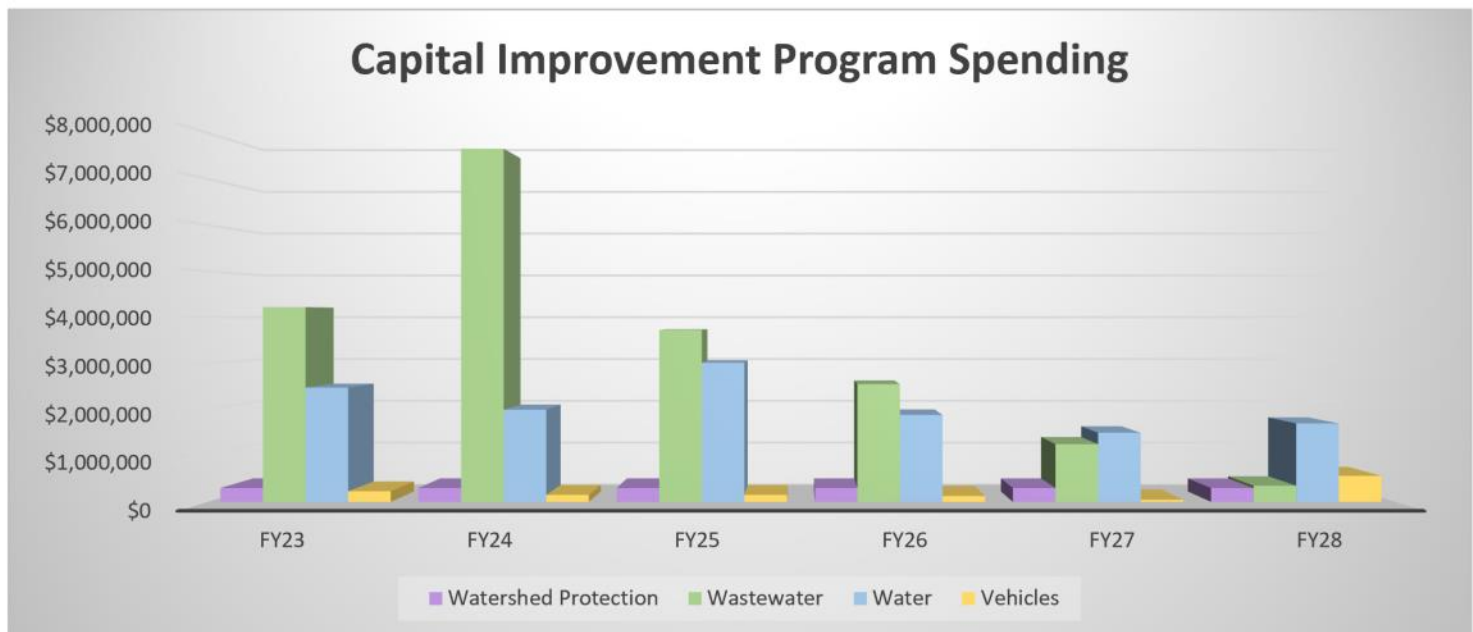
Factors in Evaluating CIP Projects

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Master planning documents• Board goals• Operational needs• Regulatory requirements• Fiscal Impacts | <ul style="list-style-type: none">• Health, safety, and environmental effects• Community economic effects• Feasibility, including public support and disruption• Implications of deferring the project• Coordination and advantages of joint projects |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Summary Information

Funding Summary

	FY23	FY24	FY25	FY26	FY27	FY28	Total
Watershed Protection	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,800,000
Wastewater	\$4,219,000	\$7,650,000	\$3,725,000	\$2,550,000	\$1,250,000	\$350,000	\$19,744,000
Water	\$2,475,000	\$1,995,350	\$3,012,400	\$1,883,400	\$1,496,950	\$1,700,000	\$12,563,100
Vehicles	\$230,000	\$150,000	\$150,000	\$127,000	\$45,000	\$564,000	\$1,266,000
Total Capital Improvement Program	\$7,224,000	\$10,095,350	\$7,187,400	\$4,860,400	\$3,091,950	\$2,914,000	\$35,373,100



Funding for Capital Projects comes from four Distinct sources

- (1) Utility User Fees
- (2) Bonds
- (3) Grants come from outside agencies such as ODOT, Metro, DEQ, Oregon Parks, and the Oregon Marine Board
- (4) Systems Development Charges (SDCs): from new development



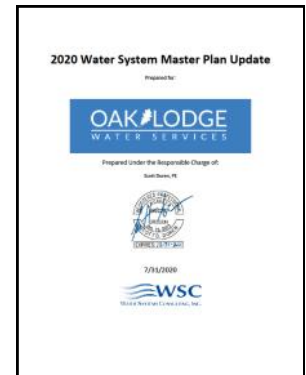
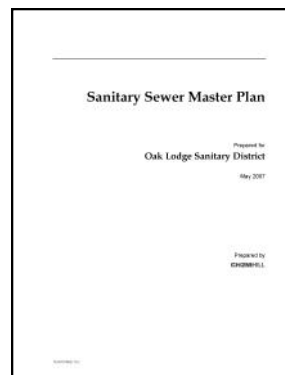
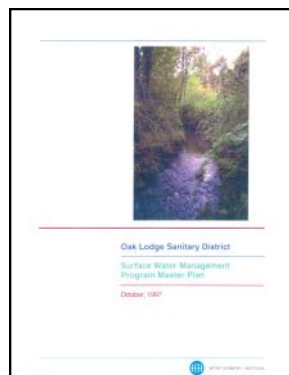
Multi-Document Transparency

The District recognizes that the projects included in the Six-Year Capital Improvement Plan represent a significant amount of public monies and it is the District's intention is to present this information across several documents to ensure that projects are clearly understood and accounted for in financial forecasts, budgets, capital improvement plans and master plans.

Multi-document transparency means that a capital project necessitated by a master plan will be included in the CIP document and then planned for in the forecast document. Funding for the project will then be included in the budget document and the expense will be recorded in quarterly and annual financial reports.

Master Plans

- Surface Water
- Wastewater
- Water



Fund 71 - Drinking Water Capital Fund

ACTUAL 17-18	ACTUAL 18-19	BUDGET 19-20	Object Code	Item	PROPOSED 20-21	APPROVED 20-21	ADOPTED 20-21
			71-00- Resources				
\$ -	\$ -	\$ 2,703,013	3500	Beginning Fund Balance	\$ 3,942,000	\$ 3,942,000	\$ 3,942,000
-	74,267	50,000	4610	Investment revenue	50,000	50,000	50,000
-	1,320,000	-	4650	Proceeds from borrowing	-	-	-
			71-29- Transfers In				
-	2,700,000	1,675,000	4910	Transfer In from Fund 10	500,000	500,000	500,000
\$ -	\$ 4,094,267	\$ 4,428,013		Total Resources	\$ 4,492,000	\$ 4,492,000	\$ 4,492,000.00
			71-20- Capital Outlay				
\$ -	\$ 683,972	\$ -	7200	Infrastructure	\$ -	\$ -	\$ -
-	-	330,000	7300	Buildings and improvements	-	-	-
-	6,419	-	7530	Capital Software Purchase	-	-	-
-	34,113	-	7540	Vehicles	35,000	35,000	35,000
-	133,715	4,098,013	7600	Capital improvement projects	1,480,000	1,480,000	1,480,000
\$ -	\$ 858,220	\$ 4,428,013		Total Capital Outlay	\$ 1,515,000	\$ 1,515,000	\$ 1,515,000
			71-29- Transfers and Contingency				
\$ -	\$ -	\$ -	9000	Contingency	\$ 2,977,000	\$ 2,977,000	\$ 2,977,000
\$ -	\$ -	\$ -		Total Transfers and Contingency	\$ 2,977,000	\$ 2,977,000	\$ 2,977,000
\$ -	\$ 858,220	\$ 4,428,013		Total Appropriations	\$ 4,492,000	\$ 4,492,000	\$ 4,492,000
\$ -	\$ 3,236,048	\$ -		Reserve for future expenditures	\$ -	\$ -	\$ -
\$ -	\$ 4,094,267	\$ 4,428,013		Total Requirements	\$ 4,492,000	\$ 4,492,000	\$ 4,492,000

Financial Reporting

"Capital Outlay" is reported in financial forecasts, budgets, quarterly reports, and annual reports. This line item corresponds with the annual funded totals shown in this Six-Year Capital Improvement Plan (CIP).

The adoption of this CIP document provides the baseline for the capital outlay that will be included in future budget documents for the Budget Committee to review, consider and approve, and for the Board to formally adopt.

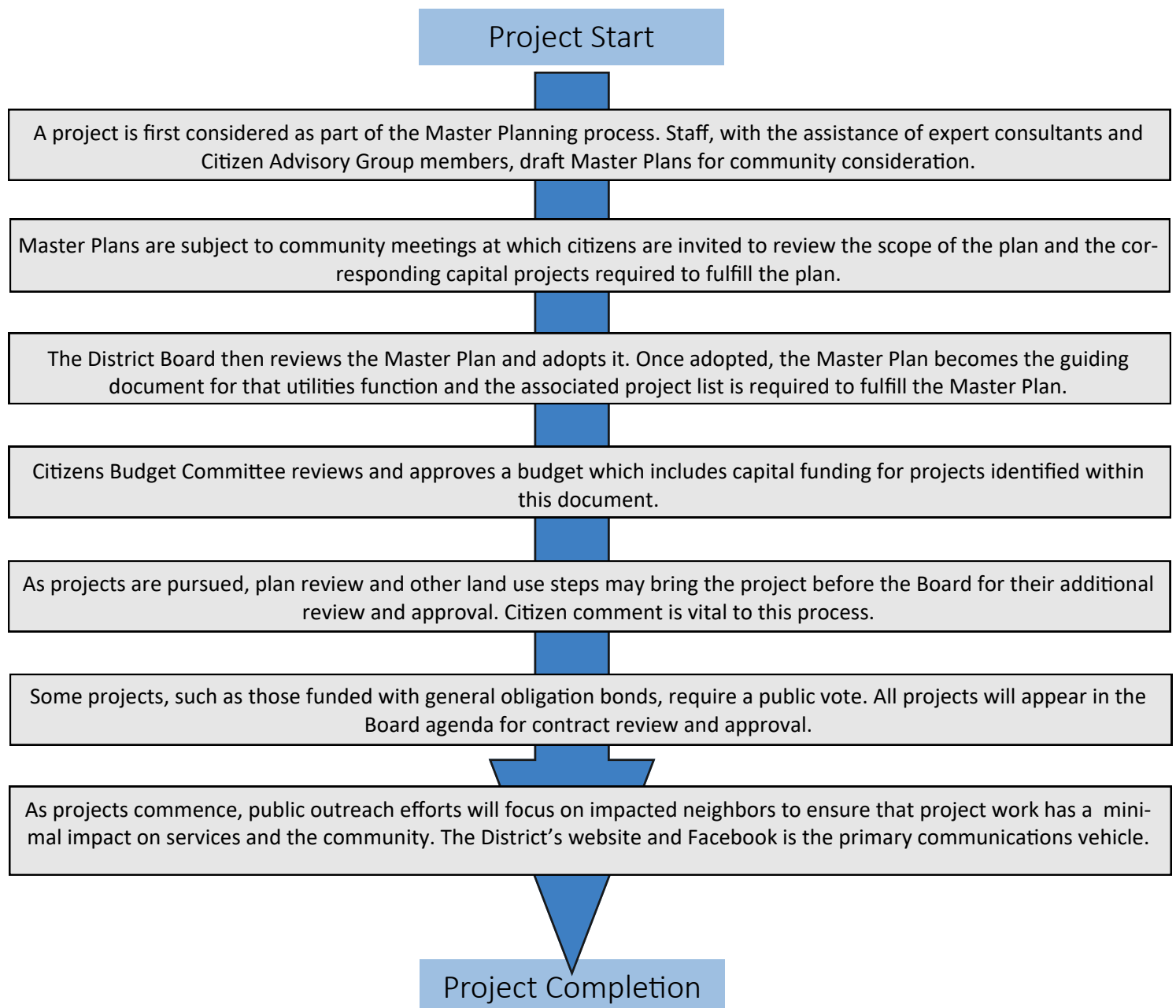
The Process of a CIP Project

Question:

How does a project get placed on the Capital Improvement Plan?

Answer:

Rate Payer involvement is the cornerstone of the Six-Year Capital Improvement Plan. Projects are vetted through a multi-step process (see below) that includes public comment at several stages to ensure that projects meet the community's needs, in addition to expert analyses during plan development. Funding is not available for projects to begin until it is approved and adopted into the District's budget.



Vehicles and Equipment

Overview

Oak Lodge Water Services District (District) has 36 pieces of rolling stock. 16 primarily used for the water, 18 for sewer and 1 for storm and 1 for Technical Services inspections. This program aims to systematically set aside funds at a predictable rate, that not only gives the Board a snapshot of the current fleet, but it also allows staff to show the Board in a single document the intended replacement schedule of each piece of equipment.

With regular and scheduled replacement of vehicles, the cost for major repairs should be kept to a minimum. In addition, the timing for replacements can occur in a planned, efficient and effective fashion thus evening out costs. For the first couple of years the District would need to catch up to meet the scheduled replacements because the newly created Capital Fund has no pre-existing reserves built up.

Vehicle Capital Purchases

ID#	Program	Vehicle Description	FY23	FY24	FY25	FY26	FY27	FY28	Totals
NEW	Wastewater	Biosolids Loader	150,000						\$ 150,000
12	Collections	Field Operations Vehicle	40,000						\$ 40,000
58	Water	Field Operations Vehicle	40,000						\$ 40,000
8	Technical Services	Inspection Truck		40,000					\$ 40,000
30	Water	Operations Dump Truck		110,000					\$ 110,000
55	Water	Field Operations Truck			40,000				\$ 40,000
42	Water	Backhoe			110,000				\$ 110,000
15	Wastewater	Plant Operations Truck				37,000			\$ 37,000
16	Wastewater	Plant Operations Truck				90,000			\$ 90,000
23	Wastewater	Portable Generator					10,000		\$ 10,000
68	Water	Field Operations Truck					35,000		\$ 35,000
69	Water	Field Operations Truck						74,000	\$ 74,000
17	Wastewater	Hydrocleaner						230,000	\$ 230,000
19	Wastewater	TV Van						260,000	\$ 260,000
Total Vehicle Capital Expenses			\$230,000	\$150,000	\$150,000	\$127,000	\$ 45,000	\$564,000	\$1,266,000

Overview

The Oak Lodge Water Services District (District) is responsible for water quality improvement projects within the communities of Oak Grove and Jennings Lodge, Oregon. Although not formal cities, this portion of unincorporated Clackamas County is heavily urbanized with residential, commercial, and industrial development.

Less than 10 years ago, an analysis of the District revealed that the Total Impervious Area is 80% -- that is about 2,800 acres of surface that does not infiltrate water, all of which contributes to increased water velocity and scour in local streams, and the majority of which contributes pollutants into the surface water system, including streams and rivers.

The District charges customers a monthly surface water fee, which covers all surface water program operations. Annual revenue changes slightly (based on the number of customers), but is approximately \$1.6M annually.

Projects within the Watershed Protection Capital Improvement Program include new regional stormwater treatment facilities, retrofits of existing facilities, installation of roadside facilities, such as “rain gardens”, upgrades of existing storm lines and catch basins, and natural resource restoration projects.

Watershed Protection Capital Improvement Projects

Page	Project Name	FY23	FY24	FY25	FY26	FY27	FY28	Totals
11	Boardman and Arista Flooding	300,000						\$ 300,000
12	Localized Enhancement Program		300,000	300,000	300,000	300,000	300,000	\$ 1,500,000
Total Watershed Protection Capital Expenses		\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,500,000

Boardman and Arista Flooding



Project Description

Recognized as one of the District's worst flooding spots, this site repeatedly floods the Trolley Trail, Boardman Avenue, Arista Drive and private property. Currently, it is suspected that beaver dams and flat grades cause a majority of the flooding. This project seeks first to identify alternatives that could ease the flooding or completely eliminate it. Once these alternatives are identified, they will be presented to the stakeholders and a project will be decided upon based on funding contributions.

Project Justification

By fixing flooding issues within the District it improves environmental health, livability, and property values. These types of projects also help the District's MS4 Annual commitments to treating stormwater.

Future Operating Cost Impact

This project will both decrease Staff's time reporting to localized flooding; however, depending on the solution it may increase maintenance of District owned facilities.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ 57,132	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	

SDC Improvement Fee Eligibility: 0%

Localized Enhancement Program



Project Description

This program aims to fix small to medium scale localized issues throughout the District. Projects will include replacement of damaged stormwater pipes owned by the District, create new roadside surface water treatment and address issues brought forth by District customers.

Project Justification

The Board as well as staff often hear about issues throughout the District related to flooding. By programming money to either solve these issues or participate in multi-jurisdictional projects, the District can start to alleviate these issues for our rate-payers.

Future Operating Cost Impact

These projects will both decrease Staff's time reporting to localized flooding and increase maintenance of District owned facilities.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
		\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,500,000	TBD

SDC Improvement Fee Eligibility: 0%

Overview

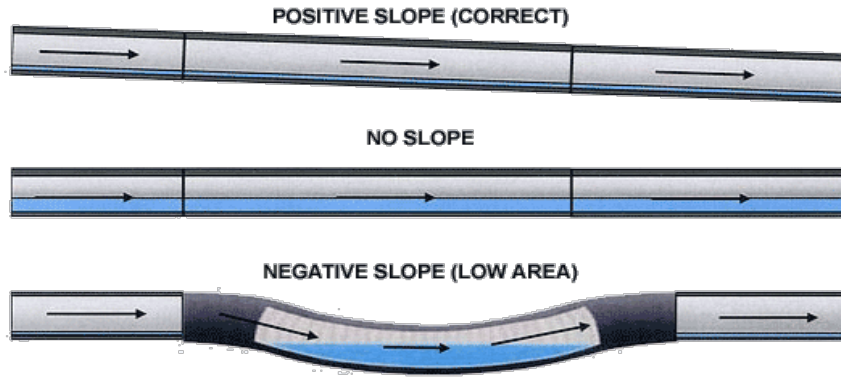
Oak Lodge Water Services District (District) charges customers a monthly fee for sanitary sewer service. Annual revenue changes slightly based on the number and types of customers, and comes in at approximately \$8.6M annually. Of this revenue, approximately 12% is budgeted to be used on capital improvements. The majority of sanitary sewer revenue is used for payment of the debt service to address the various loans associated with the Treatment Plant Expansion project.

Projects within the Sewer Capital Improvement list include finishing a conversion of the District's last anaerobic digester to meet permit requirements for land application of solids, projects to replace pipe deficiencies and

Wastewater Capital Improvement Projects

Page	Project Name	FY23	FY24	FY25	FY26	FY27	FY28	Totals
14	Hillside and Boardman Sewer Line Replacement	500,000						\$ 500,000
15	Sanitary Sewer Master Plan (Plant+Field)	310,000						\$ 310,000
16	Aeration Basin Baffle Wall	7,000						\$ 7,000
17	WTP Blower Rehab	7,000						\$ 7,000
18	PS5 Rebuild	160,000						\$ 160,000
19	Digester Blower Design and Replacement	80,000						\$ 80,000
20	Plant Lighting	75,000						\$ 75,000
21	Ultra-Violet Channel Refurbishment	80,000	250,000					\$ 330,000
22	PS2 Construction	800,000	650,000					\$ 1,450,000
23	Tertiary Filters at WRF	1,000,000	5,000,000					\$ 6,000,000
24	Trunk Main Capacity (River Forest SSO)	1,100,000	1,100,000					\$ 2,200,000
25	Lateral Repair Program	100,000	100,000	100,000	100,000	150,000	150,000	\$ 700,000
26	Influent Pump Station Reconstruction		100,000	450,000	450,000			\$ 1,000,000
27	Secondary Clarifier 1 and 2 and RAS Control Center Refurbishment		100,000	1,200,000	1,100,000			\$ 2,400,000
28	PS3 Rehabilitation		150,000	700,000	700,000			\$ 1,550,000
29	Manhole Repair Program		100,000	100,000	100,000	100,000	100,000	\$ 500,000
30	Mainline Repair Program		100,000	1,000,000	100,000	1,000,000	100,000	\$ 2,300,000
31	3rd Bar Screen in Headworks			100,000				\$ 100,000
32	Plant Air-line Inspection			75,000				\$ 75,000
Total Wastewater Capital Expenses		\$4,219,000	\$7,650,000	\$3,725,000	\$2,550,000	\$1,250,000	\$350,000	\$19,744,000

Hillside and Boardman Sewer Line Replacement



Project Description

This project includes replacing 638 feet of 12-inch diameter pipe that has settled. This settlement causes sediment, grease and fats to accumulate in the line which causes field staff to maintain this line more often than it should be.

Project Justification

The District does not currently have a Sanitary Sewer Master Plan that ranks capital projects. However, this project was identified by field staff to be one of the most problematic pipe sections for routine maintenance. By fixing it now, the District will not only be more confident in the pipe performing, but it will reduce the need for routine cleaning.

Future Operating Cost Impact

Replacement of this section will reduce the operating budget due to less frequent maintenance on this section.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ 175,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -

SDC Improvement Fee Eligibility: 0%

Sanitary Sewer Master Plan (Plant+Field)



Project Description

The District’s current Sanitary Master Plan was partially written upon historical knowledge of Staff. By the time this project is let, Staff will have collected and logged condition ratings via TV inspections that will inform an updated Master Plan which in turn will help staff prioritize the replacement of our aging infrastructure.

Project Justification

Master Plans are vital to managing utilities. By consolidating all available information into one document, a Master Plan provides a road map to shift away from reactive work towards proactive. This ultimately saves the District money by making informed decisions about what is the best use of each dollar spent.

Future Operating Cost Impact

This project has the potential to identify costs that may directly impact rates (with Board approval).

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ 310,000	\$ 310,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 310,000	\$ -

SDC Improvement Fee Eligibility: 0%

Aeration Basin Baffle Wall



Project Description

Hydraulic modeling as part of an Aeration Study in FY19 shows that only two trains are needed for this task if the first train is divided into two by a baffle wall. This project would install that barrier.

Project Justification

The Aeration Basin Baffle Wall Project would conserve electricity and reduce greenhouse gas emissions by enabling plant operators to switch off parts of the aeration basin. The District has normally run all four of its Aeration Basin trains.

Future Operating Cost Impact

This project will reduce on-going maintenance and cause for better permit compliance.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ 110,000	\$ 7,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000	\$ -

SDC Improvement Fee Eligibility: 0%

WTP Blower Rehab



Project Description

When the Water Reclamation Facility was built, the Interchange Bio-Reactors were designed with independent blowers. During a value engineering phase, one of the four Aeration Blowers was repurposed to supply air to the IBRs. Due to piping limitations, only that blower can be used for aerating the IBRs. Three years later, that blower catastrophically failed. Analysis of the failure indicated the potential for the blower not operating within its design parameters. One of the other Aeration Blowers was moved into that enclosure and the failed blower was replaced.

Project Justification

This project is a continuation of project that has already begun. By reconfiguring the blowers, the plant will run more efficiently and use less energy.

Future Operating Cost Impact

This is an optimization project focused on improving reliability improvements. Additional blowers will end up consuming more power

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ 110,000	\$ 7,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000	\$ -

SDC Improvement Fee Eligibility: 0%

PS5 Rebuild



Project Description

Oak Lodge Water Services is rebuilding the most critical of its five sewer pumping stations with work ongoing from last fiscal year. The 60-year-old station is located at one of the lowest points in the District where Boardman Creek meets the Willamette River. Environmental impact to this sensitive area, as well as costs, are being minimized by refurbishing the existing concrete structure with an anti-corrosive epoxy lining rather than rebuild it. The pumps are being replaced with submersible non-clog designs to meet modern health and safety rules.

Project Justification

Raw sewage produces gases in the pump station wet well that are corroding its concrete walls. If corrosion is allowed to continue, the structure will eventually deteriorate and need to be rebuilt with potential impact to Boardman Creek. Restoring the concrete interior walls and coating them with a lining of epoxy will allow the District to reuse the old structure. The current antiquated form of maintenance access to the existing pumps no longer complies with current health and safety requirements.

Future Operating Cost Impact

This existing pump station will continue to need power, telemetry, SCADA services and routine inspection and maintenance. This pump station has to exist in its location and is vital to the conveyance of sewage in our District.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ 600,000	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,000	\$ -

SDC Improvement Fee Eligibility: 0%

Digester Blower Design and Replacement



Project Description

Replaces one of the two Neuros turbo blowers currently used in conjunction with the aerobic digester system. This project would replace one of the aging blowers that was originally built in 2012.

Project Justification

The turbo blower technology the District had installed in the major plant upgrade in 2012 has turned out to be somewhat problematic. The cost of repairs on these blowers is high, averaging in the range of \$20,000 every time we have a turbo core failure, which has happened at least twice since installation. Coupled with the fact that they will be due for approximately another \$30,000 in PLC upgrades in the next three years, the District is looking to go with a newer technology rather than continuing upkeep on the current turbo blower technology.

Future Operating Cost Impact

Reduces risk of critical down time by replacing one of the turbo blowers with a more robust technology. Operating costs in the form of electricity may go up slightly, but the reduced downtime and need for mechanical repairs will provide the district with savings overall.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ 30,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ -

SDC Improvement Fee Eligibility: 0%

Plant Lighting



Project Description

Starts replacing numerous outdoor safety lighting around the WRF, Changing out aging high pressure sodium lights with new energy-efficient LED lighting as well as adding photocell sensors so the lights will automatically turn on when it gets dark and turn off when the sun comes up.

Project Justification

The original WRF lighting that was installed during the major upgrade in 2012 used older technology high pressure sodium bulbs. These bulbs typically have a lifespan of 20,000 hours and use a tremendous amount of electricity. The new LED lighting will use a fraction of the energy and should have a longer lifespan, typically 50,000 hours.

Future Operating Cost Impact

With well over 50 high pressure sodium bulbs in operation at the WRF, a swap out to high efficiency LED lights will reduce the overall electricity bill and should see itself paid for within a decade. There may also be opportunities to partner with the Oregon Energy Trust to receive rebates associated with the changeover.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ -

SDC Improvement Fee Eligibility: 0%

Ultra-Violet Channel Refurbishment



Project Description

This project is intended to replace complex gate maneuvering and level control with a passive level control system, replace the effluent flow meters, replace the influent gates with simple actuated slide gates, and inspect and modernize the UV bulb control system itself.

The intent of the rebuild is to have a more reliable, redundant UV disinfection system which is vital to permit compliance.

Project Justification

The current control system involves a series of interacting gates to open and close each channel and gates to control level to control dosage. There are many moving and wearing parts and this project would put in a passive level control and flow control system and replace the flow meter. This will reduce maintenance and simplify the system needed to meet permit limits for disinfection.

Future Operating Cost Impact

This project will reduce on-going maintenance and cause for better permit compliance.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ 50,000	\$ 80,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 330,000	\$ -

SDC Improvement Fee Eligibility: 0%

PS2 Construction



Project Description

This project will reconstruct the pump dry well area to a larger wet well with submersible non-clog pumps and increase the wet well size. It may replace the back up generator but it will definitely include higher sound walls and sound insulation.

Project Justification

Modernizing this pump station will replace old pumps and controls to non-clog submersible pumps. Doing so will enlarge the wet well which allows more time prior to bypass and a smoother pump flow to the collections system. This also eliminates all confined space entry to do pump maintenance. Currently confined space entry permit rules have to be followed just to clean a clogged pump. This is a very important pump station carrying the second most flow in the collection system.

Future Operating Cost Impact

This existing pump station will continue to need power, telemetry, SCADA services and routine inspection and maintenance. This pump station has to exist in its location and is vital to the conveyance of sewage in our District.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ 60,000	\$ 800,000	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ 1,450,000	\$ -

SDC Improvement Fee Eligibility: Likely >0% (Post Master Plan Approval)

Tertiary Filters at WRF



Project Description

This project would add some sort of filtration or tertiary treatment to the end of the process train. The District's site plan for the treatment plan identifies the space next to the UV channels to house these filters (once needed). The District will be receiving a new permit eventually and the limits will be tighter. The District can presently meet the proposed new permit levels most of the time but staff will not know the full extent of the limits until this renewal.

Project Justification

The current Draft NPDES Permit for the Water Reclamation Facility requires a level of treatment to that is not always possible with the current configuration.

Future Operating Cost Impact

This facility would be an addition to the treatment process. Whichever filtration is selected, it would carry with it additional maintenance costs.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ 1,000,000	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 6,000,000	\$ -

SDC Improvement Fee Eligibility: 0%

Trunk Main Capacity (River Forest SSO)



Project Description

DEQ intends to order the District to halt Sanitary Sewer Overflow events near Lift Station 2. The trunk main carrying wastewater from Lift Station 2 to the WRF has insufficient capacity, causing a mixture of raw wastewater and stormwater to spill to the river following storms. This project will first evaluate several potential solutions, and then look to design and construct the most beneficial one.

Project Justification

A primary purpose of Sanitary Collections is to get all wastewater from District customers to the WRF for treatment. The trunk of the sanitary collection system needs and increase in capacity to fulfill this elemental role.

Future Operating Cost Impact

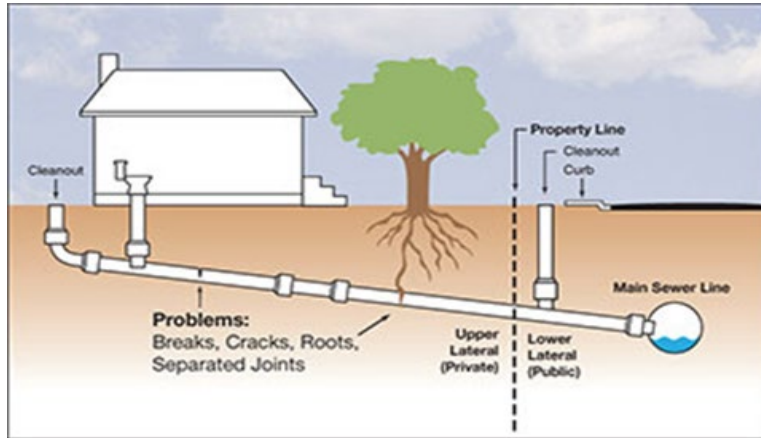
Avoids fines and penalties from DEQ resulting from non-compliance with permit.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ 40,000	\$ 1,100,000	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -	\$ 2,200,000	\$ -

SDC Improvement Fee Eligibility: 0%

Lateral Repair Program



Project Description

The focus of this program is to repair and replace the public portion (the portion in the right-of-way) of wastewater laterals. Priority will be given to laterals allowing stormwater inflow and infiltration through breaks and which cause the greatest impacts to the operating budget.

Project Justification

The District is responsible for sanitary sewer laterals from the mainline to the property line or easement boundary. Currently there are 7550 laterals in the District and the replacement of each is averaging around \$10,000 per lateral. If each lateral were to be replaced once every 100 years, the District should be ramping up to spending \$755,000 per year on this program.

Future Operating Cost Impact

This project will decrease operating expenditures by reducing the total amount of inflow and infiltration into the wastewater system. Replacement of these laterals also help minimize risk to the District before failures cause damage to private property.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ 120,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 150,000	\$ 700,000	>150k/year

SDC Improvement Fee Eligibility: 0%

Influent Pump Station Reconstruction



Project Description

This project will reconfigure the main influent pump station wet well from a big square box which collects grit and debris. The already new non clog pumps will pump this material a bit at a time if the walls and enclosures were configured for self-cleaning. This project would also include surface control improvement and security enhancements.

Project Justification

During the construction of the Water Reclamation Facility, certain items at the Influent Pump Station were value engineered out. These items have caused for more maintenance on behalf of the treatment plant staff. Fixing these items will allow for staff to focus on other operational tasks.

Future Operating Cost Impact

This project will reduce maintenance for the plant staff.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ -	\$ -	\$ -	\$ 100,000	\$ 450,000	\$ 450,000	\$ -	\$ 1,000,000	\$ -

SDC Improvement Fee Eligibility: 0%

Secondary Clarifier 1 and 2 and RAS Control Center Refurbishment



Project Description

Replaces the internal mechanisms of secondary clarifiers 1 and 2, which are reaching the end of their lifespan. Completely demolishes ageing steel and fiberglass components, and the drive mechanism. Replaces these with new stainless steel and aluminum components to protect against corrosion.

Project Justification

These clarifiers are from the original plant and are in need of replacement of the internal mechanisms due to age and corrosion. This project would also relocate the weirs to the wall to improve clarification and settling.

Future Operating Cost Impact

Reduces the risk of critical down time by replacing steel components deteriorating from rust. Provides long-term value by reinstalling mechanisms with corrosion-resistant materials. Enhances clarifier performance. Reduces need for mechanical repairs.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ -	\$ -	\$ 100,000	\$ 1,200,000	\$ 1,100,000	\$ -	\$ -	\$ 2,400,000	\$ -

SDC Improvement Fee Eligibility: 0%

PS3 Rehabilitation



Project Description

Sewage Lift Station #3 is the next in the series of rehabilitations being conducted on the District's Lift Stations. Constructed around 1960, this lift station has only seen minor upgrades and maintenance over the past 60 years.

Project Justification

Modernizing the pump station by replacing old pumps and controls to non-clog submersible pumps. Doing so will enlarge the wet well which allows more time prior to bypass and a smoother pump flow to the collections system. This also eliminates all confined space entry to do pump maintenance. Currently confined space entry permit rules have to be followed just to clean a clogged pump.

Future Operating Cost Impact

This existing pump station will continue to need power, telemetry, SCADA services and routine inspection and maintenance. This pump station has to exist in its location and is vital to the conveyance of sewage in our District.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ -	\$ -	\$ -	\$ 150,000	\$ 700,000	\$ 700,000	\$ -	\$ 1,550,000	\$ -

SDC Improvement Fee Eligibility: Likely >0% (Post Master Plan Approval)

Manhole Repair Program



Project Description

This program was created to ensure the replacement of all manholes within the Wastewater network over a 150-year period. In the case of a manhole having satisfactory structural integrity, manhole rehabilitation (i.e., manhole lining or grouting) will be done in lieu of full manhole replacement. Manholes to be replaced or rehabilitated will be identified by staff on an annual basis.

Project Justification

While manholes are relatively low-maintenance and last quite some time, they are vital to conveying sewage and providing access for inspections of mainlines. Keeping good records in the District's asset management database, staff will stay ahead of failures by rehabilitating when needed rather than complete replacement.

Future Operating Cost Impact

This project will not increase operating expenditures. These projects will replace or repair manholes one-for-one and will not increase the number of wastewater assets system-wide.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000	>100K/year

SDC Improvement Fee Eligibility: 0%

Mainline Repair Program



Project Description

Projects under this program generally consist of spot repairs where structural or inadequate flow conditions exist. Projects are identified based on routine system monitoring and/or maintenance done by the Field Crews and projects identified in a Sanitary Sewer Master Plan.

Project Justification

Currently, this "project" is more of a place holder for forecasting longer term needs of the District. It is assumed that with the completion of the District's first Sanitary Sewer Master Plan, projects will be identified, ranked and prioritized into the CIP.

Future Operating Cost Impact

This project will decrease operating expenditures by reducing the total amount of inflow and infiltration into the wastewater system.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ -	\$ -	\$ 100,000	\$ 1,000,000	\$ 100,000	\$ 1,000,000	\$ 100,000	\$ 2,300,000	TBD

SDC Improvement Fee Eligibility: Likely >0% (Post Master Plan Approval)

3rd Bar Screen in Headworks



Project Description

Adds a third bar screen in the headworks. In the 2012 upgrade, engineers added a slot for a third bar screen for future expansion.

Project Justification

When originally designed, the operating plan for most equipment at the WRF was sized to have a lead piece of equipment, which could operate under normal conditions, with a spare or redundant piece of equipment as backup in case of failure or maintenance. As the flows have increased at the WRF, operations has seen more and more use of both of the bar screens, leaving no redundancy in the case of failure or maintenance. During these times if one of the two automated bar screens were to fail, one bar screen would not be able to handle the flows and catastrophic flooding may occur.

Future Operating Cost Impact

Routine maintenance costs and electricity will go up slightly.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	

SDC Improvement Fee Eligibility: 0%

Plant Air-line Inspection



Project Description

Project is to have all buried underground airlines inspected and checked for corrosion and loose fittings. This is to include the Air Lines going from the larger blowers to the Aeration basin as well as the Interchange Bioreactors. It will also include the air lines going from the smaller Neuros blowers to digesters #1 and #2.

Project Justification

The air lines inside the plant pose a unique problem: the blowers that supply air to the tanks pump out warm air, close to 90 degrees and hotter, depending on ambient temperatures. When the air turns off, the lines cool. This hot cold cycle happens daily on most of the lines, and since most of the lines are buried in the ground, this will cause condensation to build on the lines which leads to corrosion, as well as expansion and contraction of the bolts and fittings.

The air lines in the WRF are considered an extremely critical piece of infrastructure. Any failure of these lines that led to no air being delivered to tanks would likely have catastrophic results.

Future Operating Cost Impact

Depending on how the inspection goes, there may be sections of the piping that need to be repaired and/or replaced.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	

SDC Improvement Fee Eligibility: 0%

Overview

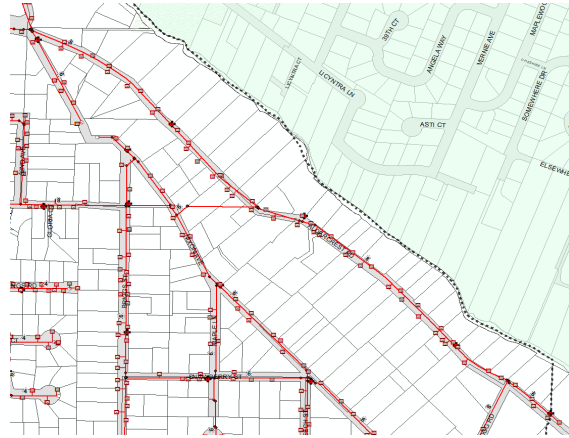
The Oak Lodge Water Services District's (District) water distribution system is primarily comprised of 6-inch and 8-inch cast and ductile iron pipe. Prior to the Master Plan Adoption, the District has concentrated on eliminating many sections of 2-inch pipe and looping dead-ends and spent on average \$500,000 annually on water capital, however beginning last year this number has been increased to around \$1,500,000 to keep up with other water capital needs such as inter-ties and resiliency against natural disasters.

The District has more than sufficient storage with two 5 million gallon reservoirs at the Valley View site and two 2.8 million gallon reservoirs at the View Acres site to supply the system. However, the Valley View Reservoirs are also used as a storage source to serve the Sunrise Water Authority, Clackamas River Water and the City of Gladstone.

Water Capital Improvement Projects

Page	Project Name	FY23	FY24	FY25	FY26	FY27	FY28	Totals
34	Aldercrest Road	1,195,000						\$ 1,195,000
35	OLWSD Water Pump Station Generator	100,000						\$ 100,000
36	Seismic Study of 24-inch Supply Line	200,000						\$ 200,000
37	Valley View Tank Upgrades (Fall Protection)	100,000						\$ 100,000
38	28th Avenue, Lakewood Drive, Kellogg Lake Apartments	600,000	600,000					\$ 1,200,000
39	Milwaukie-OLWSD Intertie Pump Station	180,000	810,000	810,000				\$ 1,800,000
40	Large Meter Testing and Replacement	100,000	50,550		50,000	50,550		\$ 251,100
41	Ranstad and Cinderella Courts		79,000					\$ 79,000
42	Marcia Court		128,000					\$ 128,000
43	Oatfield Road		327,800	983,400	983,400	983,400		\$ 3,278,000
44	Lisa Lane			225,000				\$ 225,000
45	Pressure Reducing Valve Rebuild (Every 5 years)			25,000				\$ 25,000
46	Replace all 4.25-inch Fire Hydrants			319,000				\$ 319,000
47	CRW-OLWSD Intertie Pump Station			650,000	650,000			\$ 1,300,000
49	AWIA Risk and Resilience Assessment - Update				50,000			\$ 50,000
50	Water System Master Plan - Update				150,000			\$ 150,000
51	Radio Telemetry Activation Study					24,000		\$ 24,000
52	Vault Meter Bypass Installations					110,000		\$ 110,000
53	River Road					329,000	1,500,000	\$ 1,829,000
54	Seal Coat on Valley View Reservoir Domes						200,000	\$ 200,000
Total Water Capital Expenses		\$2,475,000	\$1,995,350	\$3,012,400	\$1,883,400	\$1,496,950	\$1,700,000	\$10,534,100

Aldercrest Road



Project Description

Replacement of 3,025 feet of 6-inch and 8-inch ductile iron pipe with 8-inch ductile iron pipe.

Project Justification

During the creation Water System Master Plan, Operations Staff identified and prioritized six pipeline projects based on age and condition. This project was prioritized by staff to be the single most important project to the District when trying to avoid main breaks.

Future Operating Cost Impact

Completion of this project would lessen overall main breaks and thus lower operating costs.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ 355,000	\$ 1,195,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,195,000	\$ -

SDC Improvement Fee Eligibility: 9.7%

OLWSD Water Pump Station Generator



Project Description

This project is designing and creating an alternative power source at the water pump station near Clackamas River Water. This pump is vital to pushing water into the Valley View Reservoir in the event the Commission cannot. This pump can also move water into Clackamas River Water and the Sunrise Water Authority systems if need be.

Project Justification

During this past winter's storm, keeping our generators running with diesel took an enormous amount of time and effort. This generator would run on a fixed connection to Natural Gas and would not need to be refilled in the event of a electric power failure.

Future Operating Cost Impact

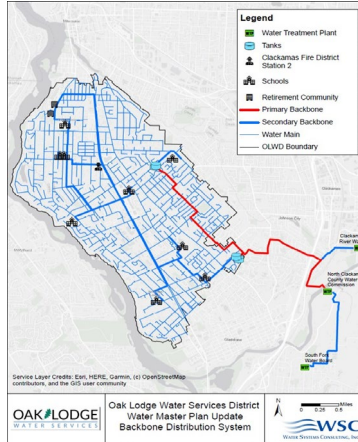
This generator would need to be tested oannulay and would eventually require parts to be replaced as needed.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -

SDC Improvement Fee Eligibility: 0%

Seismic Study of 24-inch Supply Line



Project Description

To improve the reliability of the District's 24-inch water supply pipeline, a seismic study is recommended to assess the current condition and the potential site-specific ground deformations anticipated along the alignment based on geotechnical explorations. Identification of any excessive seismic risk and appropriate mitigation measures is a high priority for improving the overall system resilience.

Project Justification

Little is known about the District's 24" supply line from the Commission. This project would explore and identify any vulnerabilities the District should know about and plan for.

Future Operating Cost Impact

This study would not have a direct impact of future operating costs.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -

SDC Improvement Fee Eligibility: 0%

Valley View Tank Upgrades (Fall Protection)



Project Description

The fall protection that currently exists on site has met its useful life. To install a new system, the District has contracted with an Engineer to explore options.

Project Justification

The current fall protection has met its useful life and needs to be brought up to today's code to make it safe for staff to work on top on the reservoirs.

Future Operating Cost Impact

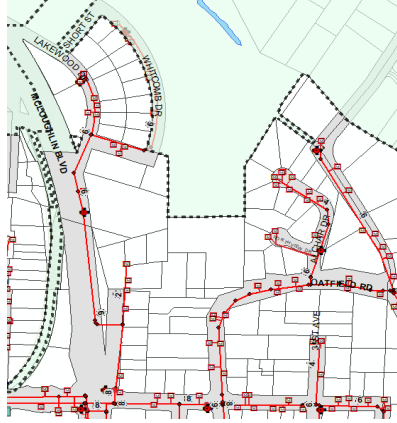
These systems have a useful life and need parts replaced at a minimum. Regular inspection of the equipment should be done with each use, but this new setup should last the District at least 20 years.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ 50,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -

SDC Improvement Fee Eligibility: 0%

28th Avenue, Lakewood Drive, Kellogg Lake Apartments



Project Description

This project replaces 4015 feet of 8-inch cast iron pipe with 8 and 12-inch ductile iron pipe. It will also create a loop in the system where the District has had to flush more often to keep the water fresh tasting.

Project Justification

This project was identified by the Water System Master Plan as one of the highest priority projects for water quality.

Future Operating Cost Impact

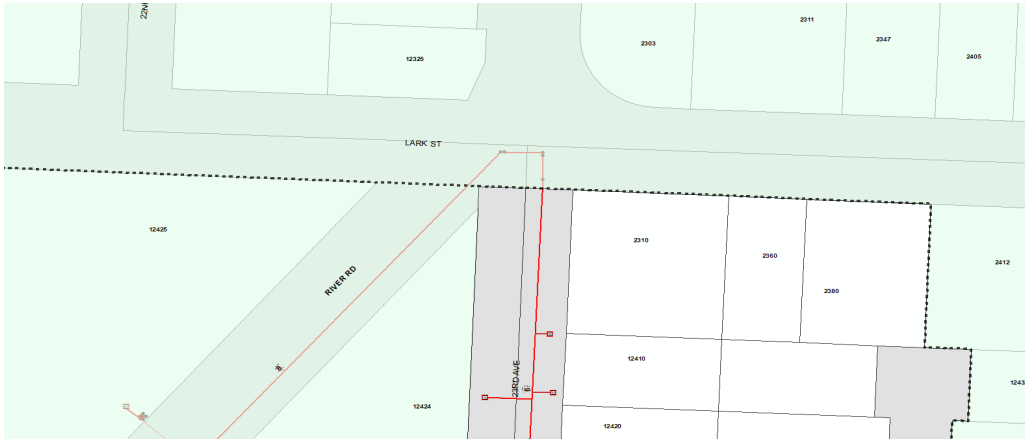
This project will lower operating costs due to reduced flushing this area less.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ 100,000	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000	\$ -

SDC Improvement Fee Eligibility: 18.3%

Milwaukie-OLWSD Intertie Pump Station



Project Description

An existing 10-inch diameter main in the Milwaukie system is located adjacent to existing 8-inch diameter District main along River Road. A booster pump station could be used to pump water from Milwaukie’s lower zone to the District’s lower zone to fill the Valley View tanks. Upsizing of 2,000 feet of pipe along River Road to 12-inch diameter would be required at an estimated cost of \$1,789,000.

Project Justification

With a single source of supply through the 24-inch pipeline from the NCCWC, the District is vulnerable to an outage caused by an unplanned pipe break. Portions of the pipeline closer to the Clackamas River are expected to have an increased risk of breakage due to lateral spreading and liquefaction induced settlement.

Future Operating Cost Impact

This emergency intertie would be an addition to the District's drinking water system. Pumps will need to be maintained, staff will need to be trained and power will be consumed when it is in use.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ 180,000	\$ 810,000	\$ 810,000	\$ -	\$ -	\$ -	\$ 1,800,000	\$ -

SDC Improvement Fee Eligibility: 0%

Large Meter Testing and Replacement



Project Description

This project aims to keep up with testing of large meters throughout the District. Testing will be conducted to make sure the meter is reading within an acceptable range. If it is not, it will be repaired to ensure proper readings.

Project Justification

By testing and repairing meters, the District can ensure that it is collecting correct revenues for usage.

Future Operating Cost Impact

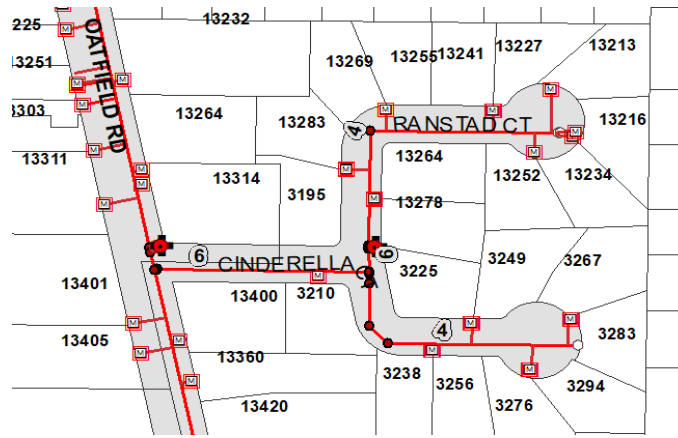
This project is the operating cost for making sure correct revenues are collected.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ 100,000	\$ 50,550	\$ -	\$ 50,000	\$ 50,550	\$ -	\$ 251,100	\$50,550 in FY29&32

SDC Improvement Fee Eligibility: 0%

Ranstad and Cinderella Courts



Project Description

This project replaces 760 feet of 4-inch cast iron pipe with 6-inch ductile iron pipe.

Project Justification

During the Water System Master Plan, Operations Staff identified and prioritized six pipeline projects based on age and condition. This project was prioritized by staff to be the single most important project to the District when trying to avoid main breaks.

Future Operating Cost Impact

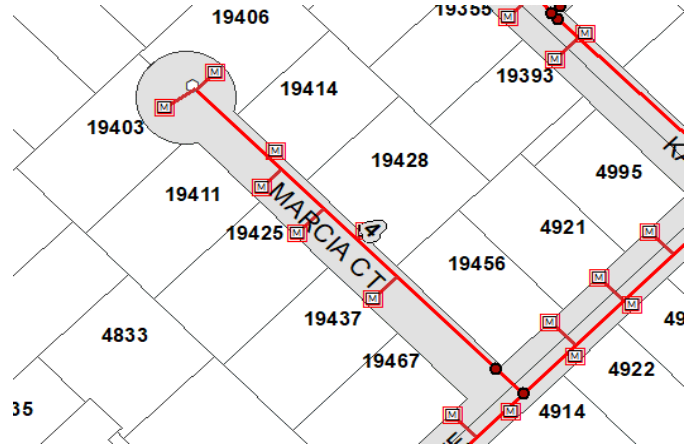
Completion of this project would lessen overall main breaks and thus lower operating costs.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ 79,000	\$ -	\$ -	\$ -	\$ -	\$ 79,000	\$ -

SDC Improvement Fee Eligibility: 28.9%

Marcia Court



Project Description

This project replaces 475 feet of 4-inch cast iron pipe with 6-inch ductile iron pipe.

Project Justification

During the Water System Master Plan, Operations Staff identified and prioritized six pipeline projects based on age and condition. This project was prioritized by staff to be the third most important project to the District when trying to avoid main breaks.

Future Operating Cost Impact

Completion of this project would lessen overall main breaks and thus lower operating costs.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ 128,000	\$ -	\$ -	\$ -	\$ -	\$ 128,000	\$ -

SDC Improvement Fee Eligibility: 32.2%

Oatfield Road



Project Description

This project replaces 15,995 feet of 6 and 8-inch cast iron pipe with 8-inch ductile iron pipe over three

Project Justification

During the Water System Master Plan, Operations Staff identified and prioritized six pipeline projects based on age and condition. This project was prioritized by staff to be the fifth most important project to the District when trying to avoid main breaks. Oatfield Road and its ADA ramps were also identified by Clackamas County to be replaced before 2030. This has since been delayed, but the project is still a high priority for replacement. Therefore, getting ahead of the paving will help the District avoid substantial paving requirements.

Future Operating Cost Impact

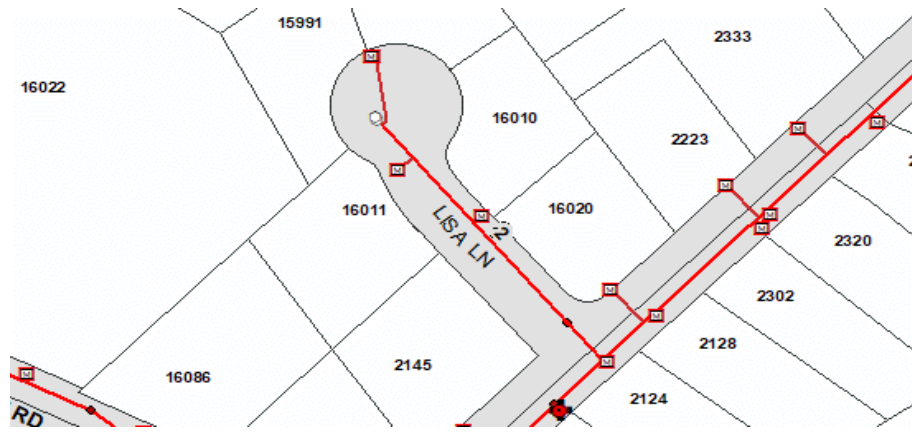
Completion of this project would lessen overall main breaks and thus lower operating costs.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ 327,800	\$ 983,400	\$ 983,400	\$ 983,400	\$ -	\$ 3,278,000	\$ -

SDC Improvement Fee Eligibility: 7.9%

Lisa Lane



Project Description

This project replaces 300 feet of 2-inch pipe with 6-inch ductile iron pipe.

Project Justification

During the Water System Master Plan, Operations Staff identified and prioritized six pipeline projects based on age and condition. This project was prioritized by staff to be the single most important project to the District when trying to avoid main breaks.

Future Operating Cost Impact

Completion of this project would lessen overall main breaks and thus lower operating costs.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ 225,000	\$ -	\$ -	\$ -	\$ 225,000	\$ -

SDC Improvement Fee Eligibility: 33%

Pressure Reducing Valve Rebuild (Every 5 years)



Project Description

The District has three PRVs that regulate pressure throughout the system. The District has indicated that each of the PRVs should be rebuilt every five years. Typically this work is performed by an outside contractor and includes a tear-down of each valve to inspect the diaphragm, seats, and other parts subject to wear, and the replacement of any components that have outlived their useful service life. In addition to rebuilding the valve, the PRV vault should also be assessed to determine if additional improvements to address drainage, safe access and egress, or ventilation are needed.

Project Justification

Rebuilding these valves every 5 years ensures that the District can control operating pressures throughout the system. Failure of these valves could cause both private property damage as well as damage to the public infrastructure if pressures are allowed to be too high.

Future Operating Cost Impact

These valves should be inspected at least once per year and rebuilt every 5 years to prevent failures.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	25K in FY30

SDC Improvement Fee Eligibility: 0%

Replace all 4.25-inch Fire Hydrants



Project Description

Over the next 20- years the District plans to replace all 4 ½-inch hydrants to meet the current standard. Replacements are likely to occur in conjunction with condition based replacements as described in the previous section and with fire flow projects described in the previous chapter. There will still be a remaining number of hydrants outside of the scope of the condition and fire flow projects that will also need to be replaced within the next 20 years.

Project Justification

The District’s current potable water system standards require each fire hydrant to use a 5 ¼-inch valve. Older hydrants exist throughout the distribution system that have a 4 ½-inch valve.

Future Operating Cost Impact

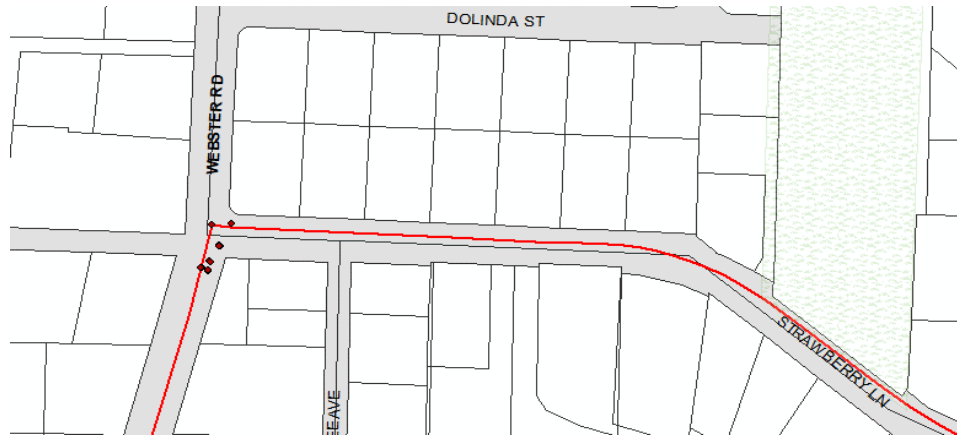
This project will not increase operating costs for the District.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ 319,000	\$ -	\$ -	\$ -	\$ 319,000	\$ -

SDC Improvement Fee Eligibility: 0%

CRW-OLWSD Intertie Pump Station



Project Description

To construct a redundant supply that could be used during an outage of the 24-inch water supply pipeline to the District or in the event of the Clackamas River not being available to the Commission, an intertie with Clackamas River Water is recommended. A pumping station will be necessary to overcome the difference in pressure between the two systems.

Project Justification

Currently, the District has no alternative water supply if the Clackamas River was either contaminated or not available due to low flows. This project would connect the District in a new way to Clackamas River Water (CRW) so that CRW could supply the District water from the City of Portland; water that does not come from the Clackamas River.

Future Operating Cost Impact

This project would build a new pump station that will carry with it maintenance and replacement costs.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ 650,000	\$ 650,000	\$ -	\$ -	\$ 1,300,000	\$ -

SDC Improvement Fee Eligibility: 0%

AWIA Risk and Resilience Assessment - Update



Project Description

In 2018 the AWIA was signed into law and requires the District to conduct a risk and resilience assessment (RRA) and a subsequent development of an emergency response plan (ERP) prior to June 30, 2021. The law also mandates that the that the RRA and ERP are updated every 5 years.

Project Justification

This project is required by Federal Law.

Future Operating Cost Impact

This update may identify risks for the District which would then be contrasted with other water projects during a scheduled Water Master Plan Update.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -

SDC Improvement Fee Eligibility: 0%

Water System Master Plan - Update



Project Description

This project would update the District's Water System Master Plan. Specific updates would be removing completed CIP's from the list, updating population demand forecasts and re-running the water model to make sure the District is staying ahead of growth and failures within the system.

Project Justification

Planning capital improvements beyond 5 years can be a challenge for water utilities; however, a targeted update to the master plan on a 5-year cycle can dramatically improve the utility of the WSMP.

Future Operating Cost Impact

This project would identify projects to be completed, but has not direct impact on future operating costs.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ -

SDC Improvement Fee Eligibility: 0%

Radio Telemetry Activation Study



Project Description

The District's Water System Master Plan identified a benefit to reactivating radio telemetry communications to serve as a backup communications system to the cellular modems. Radio telemetry units would be necessary at four District facilities including Valley View, View Acres, the central operations shop, and the NCCWC WTP.

Project Justification

Staff are constantly monitoring a number of variables that relate to serving safe drinking water. One example of this would be the level in a water reservoir. Radio telemetry allows staff to monitor this data remotely. During emergencies radio telemetry helps staff stay focused on fixing main breaks and fueling generators rather than making sure the tanks are at an appropriate level.

Future Operating Cost Impact

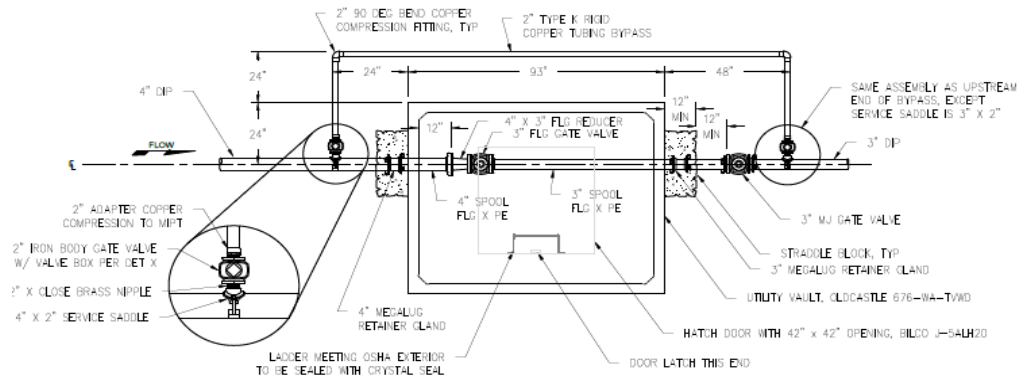
Annual User License Fees would apply to the telemetry system.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,000	\$ -	\$ 24,000	TBD

SDC Improvement Fee Eligibility: 0%

Vault Meter Bypass Installations



Project Description

This project aims to begin adding bypasses on some of the District's larger meters.

Project Justification

During the creation of the District's Water System Master Plan, Staff raised awareness to the fact that some of the District's (older) larger meters do not have a bypass. Not having a bypass makes it difficult for staff to test and/or replace a customer's meter without putting them out of service.

Future Operating Cost Impact

This project would speed up the process of testing and/or larger meters throughout the District. Accurate measurement of water consumed by each customer is vital to the District's ability to properly bill.

Budget Information and Projected Costs

Pre-CIP (<FY22)	FY23	FY24	FY25	FY26	FY27	FY28	Total (in CIP)	Post-CIP (>FY28)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,000	\$ 110,000	\$ -

SDC Improvement Fee Eligibility: 0%

River Road



Project Description

This project designs the replacement of 6,805 feet of 4, 6, and 8-inch ductile iron pipe with 8 and 12-inch ductile iron pipe.

Project Justification

Identified by the Master Plan as a high priority backbone project that would help fire flows and meet future demand near River Road.

Future Operating Cost Impact

Completion of this project would lessen the chance of main breaks which in turn would lower operating costs.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329,000	\$ 1,500,000	\$ 1,829,000	\$ 1,500,000

SDC Improvement Fee Eligibility: 9.5%

Seal Coat on Valley View Reservoir Domes



Project Description

The Valley View tanks are prestressed concrete tanks and require a seal coat on the domed roofs of the two tanks to protect small surface cracks in the concrete from further deterioration. Timing of a seal coat will depend on continued monitoring of the tank roof condition through periodic inspections. Application of a seal coat is anticipated to be necessary within the next 5 to 10 years unless observed crack propagation indicates a more immediate need.

Project Justification

Preservation of the District's water storage tanks is vital to providing safe drinking water to our customers. These tanks also provide water to Clackamas River Water, Gladstone and Sunrise Water Authority customers.

Future Operating Cost Impact

This project will not change current operating costs.

Budget Information and Projected Costs

<i>Pre-CIP (<FY22)</i>	<i>FY23</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>Total (in CIP)</i>	<i>Post-CIP (>FY28)</i>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ -

SDC Improvement Fee Eligibility: 0%



Contact Us

Technical Services

Interim District Engineer — Jason Rice PE, jason@olwsd.org

Project Manager — Haakon Ogbeide PE, haakon@olwsd.org

Operations

Interim WRF Superintendent — David Hawkins, david@olwsd.org

Field Superintendent — Jeff Page, jeffp@olwsd.org

Water Field Supervisor — Brad Lyon, brad@olwsd.org

14496 SE River Road

Oak Grove, Oregon 97267

(503) 654-7765

oaklodgewaterservices.org



Proposed Budget

2022-2023



14496 SE River Road, Oak Grove, Oregon 97267
(503) 654-7765
@OakLodgeWater
oaklodgewaterservices.org



About the District

The Oak Lodge Water Services District (District) is committed to creating a clean water environment and a healthy community. The District provides reliable drinking water, sanitary sewer, and watershed protection services to nearly 29,000 people in Oak Grove, Jennings Lodge, and portions of Milwaukie and Gladstone.

Drinking Water Services

The District provides customers safe, reliable drinking water from the Clackamas River. Customer rates fund essential services, including purchasing clean water and maintaining daily operations, and investments in infrastructure.

Sanitary Sewer Services

The District collects wastewater from homes and businesses so the water can be cleaned and safely returned to the Willamette River. Customer rates fund essential services, including wastewater treatment, maintaining daily operation, and investments in treatment plant and infrastructure.

Watershed Protection Services

The District helps protect the environment by monitoring water quality in local waterways and helping to keep the Clackamas County-owned stormwater system clean. Customer rates fund watershed protection activities necessary to comply with state and federal water quality permit requirements.

Water Reclamation Facility (WRF)

The Oak Lodge Water Reclamation Facility (WRF) was upgraded approximately ten years ago (2012) and is located at 13750 SE Renton Ave. in Oak Grove, Oregon. The facility cleans an average of 2.8 million gallons of wastewater per day, removing over 96% of pollutants. The WRF and 5 lift stations are strategically located across the District's service area. They operate 24/7 to collect and treat wastewater before returning it to the Willamette River. Routine maintenance on this critical piece of infrastructure is vital to providing an essential service and protecting the health of nearly 29,000 people in the community. Operations staff are committed to producing treated water that exceeds the parameters set by state and federal guidelines.



**FY 2022-2023
PROPOSED BUDGET**

BUDGET COMMITTEE

APPOINTED OFFICIALS

Open, Position 1

Amanda Gresen, Position 2

Robert Weber, Position 3

Ron Weigel, Position 4

Jim Martin, Position 5

ELECTED BOARD OF DIRECTORS

Susan Keil, President

Ginny Van Loo, Vice President/Secretary

Paul Gornick, Treasurer

Kevin Williams, Director

Open, Director

BUDGET OFFICER

Gail Stevens, Finance Director



**FY 2022-23
PROPOSED BUDGET**

TABLE OF CONTENTS

GENERAL BUDGET INFORMATION	Page
Budget Calendar	i
Organization Chart	ii
Budget Message	1
Summary Budget Highlights	8
Resources Summary	10
Requirements Summary	11
FUNDS	
Administrative Services Fund	12
Drinking Water Fund	17
Wastewater Reclamation Fund	20
Watershed Protection Fund	24
Wastewater General Obligation Debt Service Fund	27
Wastewater Revenue Bond Debt Service Fund	29
Drinking Water Capital Fund	31
Wastewater Reclamation Capital Fund	32
Watershed Protection Capital Fund	33
DESCRIPTIONS	
Budget Line Item Descriptions - Appropriations	34
APPENDIXES	
A) Capital Improvement Plan	



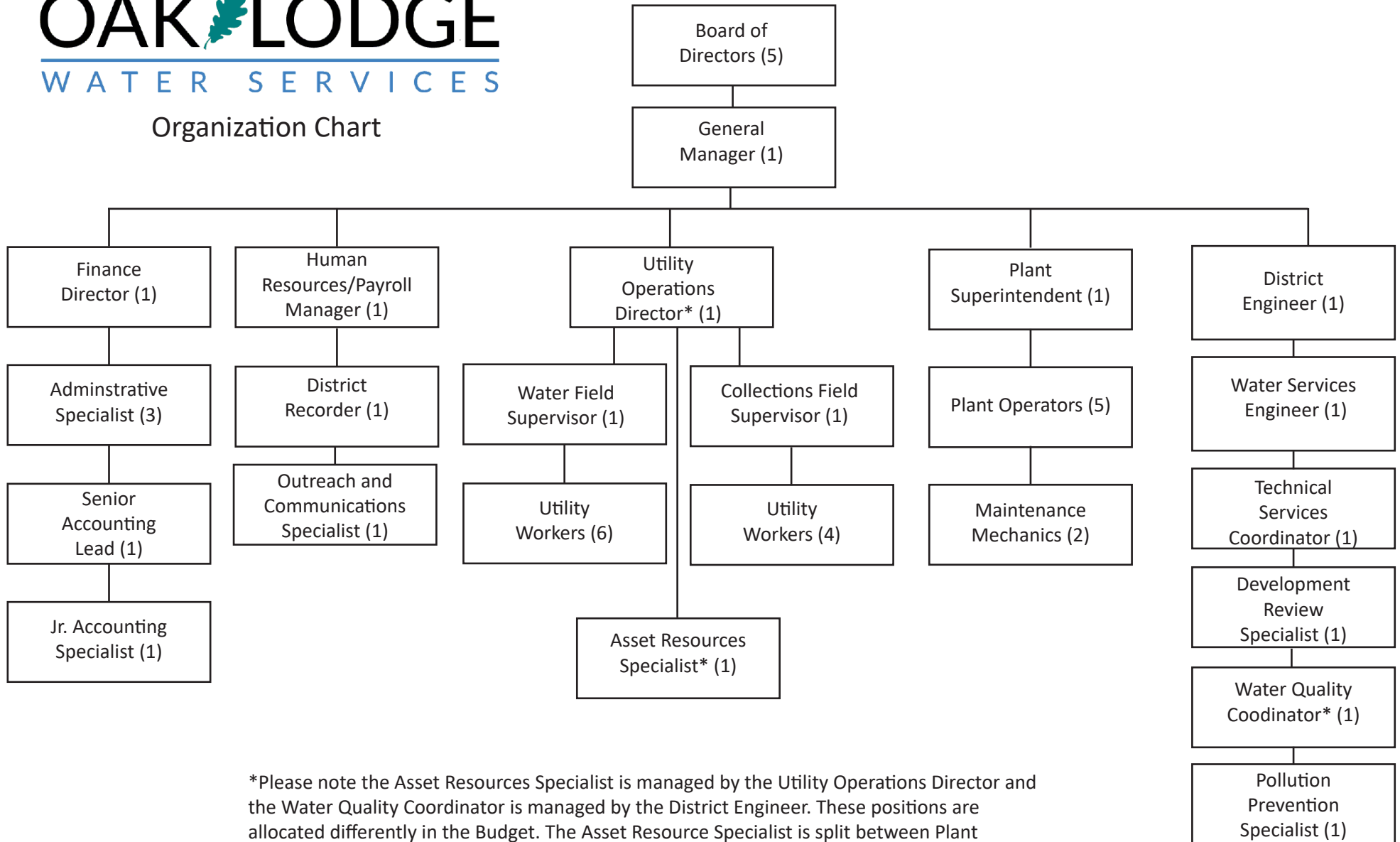
FY 2022-2023 BUDGET CALENDAR

Tuesday, April 12, 2022	Budget Committee Meeting
Thursday, April 26, 2022	Budget Committee Meeting
Thursday, April 28, 2022	Budget Committee Meeting
Tuesday, May 17, 2022	Board of Directors Meeting

To mitigate the spread of COVID-19, all meetings will be held remotely beginning at 6:00 p.m. unless otherwise stated.



Organization Chart



*Please note the Asset Resources Specialist is managed by the Utility Operations Director and the Water Quality Coordinator is managed by the District Engineer. These positions are allocated differently in the Budget. The Asset Resource Specialist is split between Plant Operations (30%), Collections (30%), Drinking Water (30%), and Watershed Protection (10%) as this position tracks all the District's assets. The Water Quality Coordinator is budgeted 100% to Watershed Protection. The Utility Operations Director is split between Drinking Water (50%) and Collections (50%).



BUDGET MESSAGE

Members of the Oak Lodge Water Services (OLWS) Budget Committee we are pleased to present the Oak Lodge Water Services Fiscal Year (FY) 2022-23 Proposed Budget.

STATE OF OLWS

OLWS provides a high level of service to customers in the form of water quality, reliable wastewater collection and treatment, watershed protection, and exceptional customer service. While faced with the continued reality of COVID-19, OLWS continues to meet the needs of customers and protect OLWS team members. OLWS delivers services day in, day out meeting OLWS Commitments:

Our Commitments

-  Protect public health
-  Provide excellent customer service
-  Make smart investments and keep rates affordable
-  Keep our streams and rivers clean

There are four main areas of focus throughout OLWS work which are reflected in the FY 2022-23 Proposed Budget:

1. Planning for the future
2. Building resilience
3. Security
4. Financial stewardship

Planning for the Future

The infrastructure, owned by customers, is used to deliver all of the OLWS services. Information about the condition of those assets and preferred maintenance and replacement is essential information which enables planning of future work and financial forecasting. This information is essential to building Master Plans for each service area. The Master Plans aid in prioritizing of work and identify areas where capital investments are needed to ensure the OLWS infrastructure continues to work. They can also aid in identifying potential regulatory changes for OLWS. It is anticipated the new permit from the Department of Environmental Quality for the Water Reclamation Facility will be in place prior to July 2022. It has a number of significant budgetary implication in the years ahead for OLWS both for infrastructure and operations. There are implications for rates and which will require thoughtful Budget Committee input as to the best options for all of our customers.

Resilience

The Water Systems Master Plan and the current work on the Wastewater Systems Master Plan assists with the identification of projects which build on past infrastructure investments to increase resiliency. One such example is the intertie projects for water with the City of Milwaukie and Clackamas River Water which would be used should an earthquake occur, or some other harm to the Clackamas River. Resiliency for our customers is also increased through the Intergovernmental relationships OLWS has with other partners in the region (e.g. for additional trucks, or pumping equipment) and through emergency management planning and exercises. Financial resiliency is also an important part of consideration for the Board and the Budget Committee. The inflationary cost increases and delays currently being experienced in OLWS supply chains have been anticipated and planned for in the Proposed Budget. However, new ones may arise. Part of a resilient strategy will be the need to have a greater stock of supplies on hand. One example OLWS has dealt with this past year is a six-month delay in water meter orders, which OLWS has over 8,500 water meters currently in service.

Security

This has become an increased area of focus over the past year from examining how best to protect OLWS current physical assets, to cyber security planning to protect data and physical assets, to a variety of projects on the water and wastewater Supervisory Control and Data Acquisition (SCADA) systems which allow OLWS to quickly respond to alarms on OLWS infrastructure to fix issues to either prevent emergencies or enable OLWS to get through the emergency.

Financial Stewardship

The areas of focus continue to be:

- Compliance – funding of required regulatory capital projects.

- Asset Management – for all the three service areas continuing to use good asset management to inform the OLWS Capital Maintenance Program which enables financial planning to occur.
- Grants – it is anticipated more Federal Grants will be available starting FY 2022-23. It is uncertain as to the precise blend of loans and grant packets that will be available to OLWS.
- Non-Revenue Water – identifying and fixing places in our water system where the full revenue from water is not being recovered, for example, leaks of water from a pipe, or a water meter not measuring correctly.

OLWS needs to be positioned to address the capital challenges head on in the coming years.

OLWS would not have been able to continue to deliver services without the flexibility and creativity of each one of the OLWS team members and the historical investments made to strengthen the resiliency of the utility infrastructure owned by OLWS customers. It is this pattern of thoughtful, comprehensive planning and prudent investment by the Budget Committee and the Board which will position OLWS in good stead for a future of continued reliable service delivery as desired and expected by customers.

THE FY 2022-23 BUDGET

The FY 2022-23 Budget reflects the current policy direction of OLWS' Board of Directors. That direction is to provide high-quality, reliable service at a reasonable cost of service to customers. The Budget reflects a continued level of service in the coming fiscal year without significant changes in operational expenditures.

Capital plans and initiatives for OLWS drive spending in each of the next few years (see the Capital Improvement Plan section of the Budget) as OLWS continues to address the needs of an aging Wastewater Reclamation Facility and aging wastewater collections and drinking water distribution infrastructure. Moreover, changes by the Department of Environmental Quality in the National Pollutant Discharge Elimination System (NPDES) permit for the Wastewater Reclamation Facility will require significant additional infrastructure investments such as Tertiary Filtration and Sanitary Trunk Line Capacity Improvements.

Personnel services and materials and services costs are experiencing modest increases due to the inflationary pressure on supply chain and cost-of-living adjustment (COLA) increases approved as part of the current collective bargaining agreement.

The Budget is a comprehensive document containing detailed revenues and expenditures for all funds operated by OLWS. The operating and capital budgets contained within this document have been prepared in accordance with Oregon Local Budget Law, per Oregon Revised Statutes (ORS) 294.305 to 294.565, the State Rules for (ORS) Chapter 264 Water Districts, (ORS) Chapter 450 Sanitary Districts, and (ORS) Chapter 198 Special Districts. The Budget requires the input of the OLWS Budget Committee to examine different options for funding required capital projects – particularly in the wastewater area.

SUMMARY OVERVIEW

The following summary highlights specific items contained in the 2022-23 budget, and estimated effects on rates.

Financial Policies

OLWS' suite of financial policies approved by the Board have been applied to the 2022-23 budget. OLWS places emphasis on maintenance of appropriate fund balances in operating funds (Administrative Services, Drinking Water, Wastewater, and Watershed Protection Funds). Over the prior two budgets, OLWS utilized existing fund balances to stabilize utility rates. While operating funds have budgeted contingencies for unexpected and unknown items, as well as transfers to cover debt service, and to capital funds for current and future construction, major maintenance, or replacement of infrastructure, the remaining fund balances needed to be maintained. While OLWS does not budget for full cost recovery related to depreciation of OLWS assets, the Budget has provided for consideration of vehicles and equipment replacement in future years.

When considering the overall resources of OLWS, fund balances and reserves combine to provide one leg of a three-legged approach, with the other two legs being rates and financing. When managed together, they provide a stable strategy for operations and the acquisition and replacement of capital assets. The financing leg is represented in Debt Service payments and any potential new financing is not included until these funds are available to OLWS.

Personnel Services Estimates

OLWS completed negotiations with the AFSCME bargaining unit last fiscal year representing the administrative and operations team members and a three-year contract began July 1, 2020. This bargaining agreement bases the annual COLA in an amount equal to the percentage change in the US Consumer Price Index, CPI-W: All Urban Consumers, West – Size Class A, which is 6.5% this year. However, there is a maximum COLA increase of 3.5% included in the agreement. Therefore, this budget reflects this capped percentage.

The rates identified in this budget for the Public Employees Retirement System (PERS) continue to be positively impacted by past Side Account Contributions to reduce OLWS' Unfunded PERS Liability. During the 2019-20, 2020-21, and 2021-22 fiscal years OLWS made a lump sum contribution of \$300,000, \$552,000, and \$550,000 respectively to "buy down" unfunded actuarial liability. Due to higher funding needs for required capital projects, the FY 2022-23 Budget does not include any new contribution to PERS for the same purpose. Continued contributions will resume in future budgets as this is a key strategy and is in the best financial interest of OLWS over the long run.

Capital Planning

The capital plan for FY 2022-23 budget is heavily impacted by changes to OLWS' NPDES permit for OLWS' Wastewater Reclamation Facility and capacity issues within wastewater infrastructure. In addition, as in the prior fiscal years, a long-term capital plan for each of the water, wastewater, and watershed protection utilities are included. The Water System Master Plan was completed in the fall of 2020 and has provided for the anticipated level of capital necessary to meet that plan's requirements. OLWS began work on the Sanitary System Master Plan in the 2020-21 fiscal year. That work will update capital plans in the wastewater collections system and plant and is anticipated to be completed by December 31, 2022. The FY 2022-23 Budget includes funding for capital projects related to projects identified in the Water System Master Plan, the wastewater collections system and treatment plant, pending completion of master planning, and for watershed protection infrastructure. Details of these projects can be found in the Capital Improvement Plan section of this Budget.

Capital expenditures are made from the capital funds. Resources to the capital funds are in the form of transfers from the respective operating funds (i.e. Drinking Water Fund to Water Capital Fund). Transfers are in turn funded through rates. Looking forward in the capital plans of the OLWS, there may be opportunities to employ other financing strategies in the form of debt financing or partnerships with other governmental entities to accomplish specific capital projects.

BUDGET ASSUMPTIONS

The FY 2022-23 Budget incorporates the following assumptions:

Revenue Assumptions

- Increase in rates for Water, and Wastewater.
- No increase in Watershed utilities.
- Maintained conservative base units for revenue forecasting.
- Non-payment of bills by customers at 2% (based on history).

Expenditure Assumptions

- Medical and Dental estimates an increase in rates of 10.0%.
- PERS employer contribution rate for FY 2022-23 remains the same as in the prior fiscal year, which is lower than anticipated due to prior contributions to PERS Side Accounts.
- Step increases for eligible employees.
- Current year's 3.5% cost of living (COLA) adjustment.

Overall Strategies for the 2022-23 Budget and Beyond

- Project, plan and re-prioritize capital needs while ensuring compliance with federal and state permit requirements.
- Manage rates for each utility independently to limit funding needs while operating and maintaining each system.
- Continue to maintain prudent fund balances and reserves to provide a stable financial structure for available funding opportunities.
- Complete master plan for wastewater reclamation facility and infrastructure.

CONCLUDING THOUGHTS

At the beginning of COVID no one had an idea how long it would last. The OLWS team continued to consistently deliver services throughout this time. It was unknown what difficulties would be faced by customers and the Emergency Customer Assistance Program (ECAP) was put into place in FY 2020-21 with the only rate increase of .5% going towards it. The residual funds from ECAP were carried over into FY 2021-22 and no additional rate increases for FY 2021-22 were made. Two years later customers are paying at 99% level and delinquent accounts have been decreased by 20%. Supply chain issues are impacting OLWS in three ways: the length of time needed to receive key supplies, the costs of those supplies and the amount of prudent inventory needing to be kept on hand.

OLWS continues the focus on long-range planning and building a strong asset management program for all the infrastructure and equipment needed to deliver services. Looking forward, it is anticipated OLWS will have new permits from the Oregon Department of Environmental Quality (DEQ). An updated National Pollutant Discharge Elimination System (NPDES) permit for the Water Reclamation Facility will mean renewed land application of biosolids and an updated Municipal Separate Storm Sewer System (MS4) permit which will bring with it new standards for water quality and testing protocols. These permits will bring added costs and they will also improve the quality of our natural resources and in turn improve the quality of our community's quality of life. In addition, the 30-year Wastewater System Master Plan will be completed by December 2022.

The information from the 2020 Water Master Plan and the in-production Wastewater System Master Plan, as well as the certainty around the new requirements from DEQ enable OLWS to better plan and anticipate the infrastructure projects and costs required to continue to best serve customers. This future planning is essential to managing and stabilizing rates, and potential borrowings and grants necessary to provide the necessary resources at the time needed.

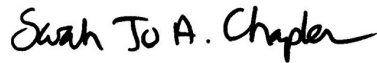
OLWS services are delivered 24 hours a day. OLWS strives to do this with an emphasis on cost-effective operations balancing both the short- and long-term maintenance, replacement, resiliency, and expansion needs of the utility infrastructure owned by all OLWS' customers.

ACKNOWLEDGEMENTS

This budget was developed by the OLWS Leadership Team with assistance from OLWS staff. The members of the Leadership team come from various backgrounds and perspectives to represent the interests of OLWS. We want to acknowledge their hard-work, efforts, and engagement and extend OLWS' appreciation. We also want to thank the Budget Committee and the Board for all their hard work to ensure the OLWS budget addresses what is needed for service delivery to customers now and into the future.

OLWS needs to be able to consistently deliver services which are key to our customers' health and work, every day without any interruption. Our customers depend upon us. Like other local governments, OLWS will need to continue to be nimble, able to respond to changes resulting from the pandemic for our customers, or other emergencies, or changing requirements from State or Federal regulators.

We hereby respectfully submit the OLWS Proposed Budget for FY 2022-23.



Sarah Jo Chaplen
General Manager



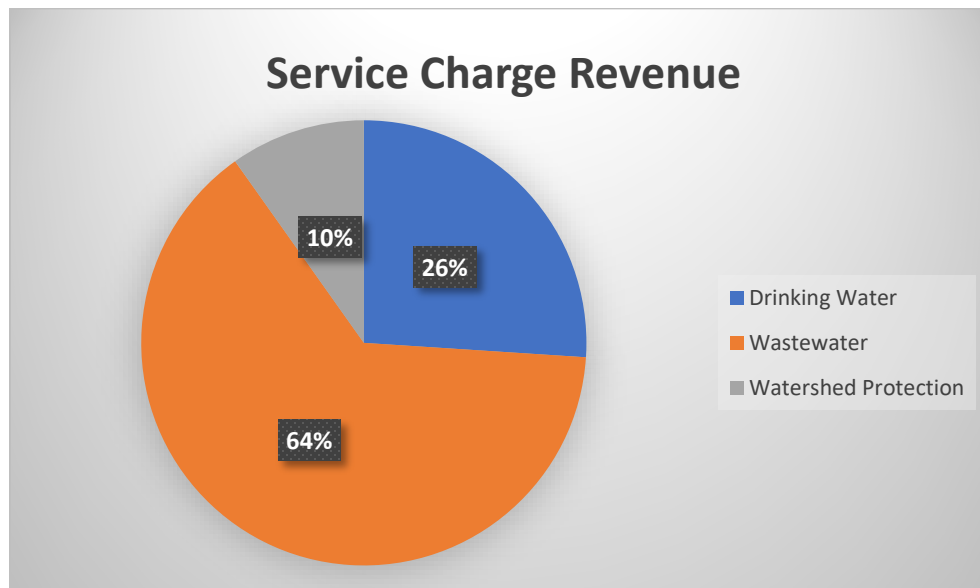
Gail Stevens
Finance Director and Budget Officer

SUMMARY BUDGET HIGHLIGHTS

The FY 2022-23 budget for the OLWS totals \$42.2 million (total resources and total uses) and can be summarized as follows: \$5.1 million for Administrative Services, \$5.5 million for Drinking Water, \$11.7 million for Wastewater, \$2.1 million for Watershed Protection, \$4.0 million for Debt Service, and \$13.6 million in capital.

Resources

Service charges revenue is the primary resource to each of the operating funds. Service charges combine with interest income, system development charges (SDC), other miscellaneous revenues, and beginning fund balance in each of the funds to comprise total resources. Revenue from service charges across the operating funds (Drinking Water Fund, Wastewater Reclamation Fund and Watershed Protection Fund) is illustrated in the chart below:



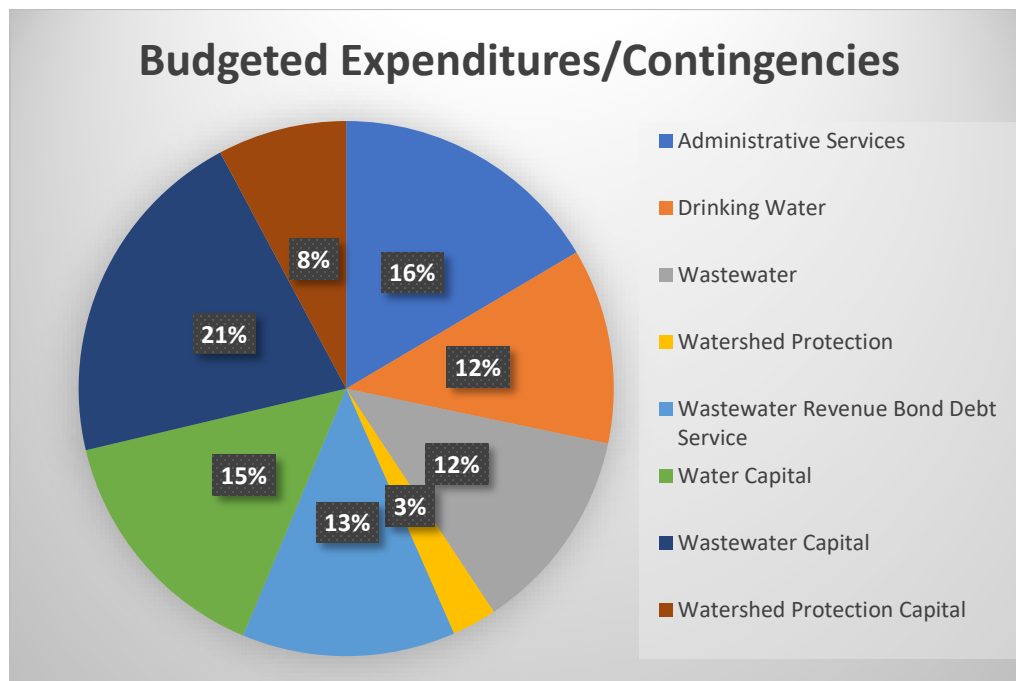
Resources within each fund support the operations and capital requirements associated with each utility's respective functions. Personnel services and materials and services are accounted for within each operating fund. Support services, debt requirements, and capital costs are budgeted and recorded in separate funds to which each operating fund makes transfers.

Fees are set in June each year with a July 1 effective date. Fees are set based on estimated requirements for each fund as a whole and in consideration of future operations and capital plans as projected.

Uses

Operating expenditures are budgeted by division within the Administrative Services Fund, and by category within each of the other funds. Personnel services and capital make up the majority of budgeted expenditures of OLWS for FY 2022-23. Personnel services comprise 17.1% of OLWS' budgeted expenditures (excluding transfers) and capital spending makes up another 25.6%. The remaining budgeted requirements of OLWS include materials and services at 16.9%, debt service at 12.0%, and contingencies and reserves at 28.4%.

The chart below illustrates total expenditures (excluding transfers) by fund. Transfers among funds are excluded so as not to distort actual expenditures to parties outside of OLWS.



Personnel Services

OLWS budget includes 38 full-time regular (FTE) positions. Benefit costs reflect increases in health insurance and quoted rates from providers. Employee insurance rates, which includes medical, dental, life, short-term disability, and long-term disability reflect a 10.0% increase.

PERS contributions are the other largest component of employee benefits. PERS rates on a biennial basis, and the scheduled rates for FY 2021-22 and 2022-23 were set at 23.18% for Tier 1 and 2 members, and 19.21% for OPSRP members. OLWS has contributed \$300,000 in FY 2019-20, \$552,000 in FY 2020-21, and \$550,000 in FY 2022-23. These contributions have resulted in rates of 21.89% for Tier 1 and 2 members, and 17.92% for OPSRP members. Currently, 11% of OLWS payroll is Tier 1 and 2, and 89% is OPSRP.

Materials and Services

This category represents operational expenditures for goods and services supporting OLWS. Legal, audit and accounting, and other contractual services are budgeted within this category, as are utilities, repairs and maintenance, and supplies. The increases budgeted for FY 2022-23 result primarily from stepping up maintenance efforts related to the water and wastewater systems and anticipated inflationary increases in utilities, goods and services costs from vendors.

Capital Expenditures

A consistent and thoughtful approach to asset management, major maintenance, and replacement allows OLWS to proactively plan and project significant cost items, and plan resources to avoid volatile rate impacts to our customers. Maintenance of capital reserves is one component of OLWS' strategies for funding capital needs: the others being rates and debt financing. Separate capital funds are established to account for capital expenditures and ensure funding for future needs. Transfers from the operating fund provides resources to the capital funds and is complemented by interest earnings.

The 2022-23 budget provides for capital spending in the Drinking Water Capital Fund of \$2.9 million, the Wastewater Reclamation Capital Fund of \$4.8 million, and the Watershed Protection Capital Fund of \$300 thousand. Each of the capital funds budgets for contingency to allow for flexibility in management of planned projects, funding for future year capital plans, and consideration for future replacement of equipment and vehicles.

**OAK LODGE WATER SERVICES DISTRICT
RESOURCES SUMMARY – BY PROGRAM
FY 2022-23**

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	Fund	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
Administrative Services						
\$ -	\$ 598,701	\$ 978,000	Fund Balance	\$ 1,168,115	\$ -	\$ -
\$ 30,199	\$ 34,473	\$ 61,400	Other revenue	\$ 70,400	\$ -	\$ -
\$ 1,444,000	\$ 1,908,000	\$ 1,500,000	Transfer In - Fund 10	\$ 1,008,000	\$ -	\$ -
\$ 2,028,000	\$ 2,026,000	\$ 1,899,000	Transfer In - Fund 20	\$ 1,920,000	\$ -	\$ -
\$ 1,029,000	\$ 635,000	\$ 1,008,000	Transfer In - Fund 30	\$ 1,008,000	\$ -	\$ -
<u>\$ 4,531,199</u>	<u>\$ 5,202,174</u>	<u>\$ 5,446,400</u>	Total	<u>\$ 5,174,515</u>	<u>\$ -</u>	<u>\$ -</u>
Drinking Water						
\$ 2,430,387	\$ 1,504,202	\$ 1,086,000	Fund Balance	\$ 1,015,771	\$ -	\$ -
\$ 3,945,069	\$ 4,093,022	\$ 4,120,000	Water Sales	\$ 4,223,000	\$ -	\$ -
\$ 412,360	\$ 346,821	\$ -	SDCs	\$ -	\$ -	\$ -
\$ 386,228	\$ 340,468	\$ 292,000	Leases & Other	\$ 273,000	\$ -	\$ -
<u>\$ 7,174,043</u>	<u>\$ 6,284,513</u>	<u>\$ 5,498,000</u>	Total	<u>\$ 5,511,771</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater Reclamation						
\$ 1,315,555	\$ 1,807,252	\$ 834,900	Fund Balance	\$ 1,207,862	\$ -	\$ -
\$ 8,199,915	\$ 8,273,657	\$ 8,459,000	Wastewater Charges	\$ 10,407,000	\$ -	\$ -
\$ 592,263	\$ 315,065	\$ 125,000	SDCs	\$ 100,000	\$ -	\$ -
\$ 60,281	\$ 30,535	\$ 40,000	Other revenue	\$ 20,000	\$ -	\$ -
\$ -	\$ -	\$ 623,800	Transfer In - Fund 40	\$ -	\$ -	\$ -
<u>\$ 10,168,013</u>	<u>\$ 10,426,509</u>	<u>\$ 10,082,700</u>	Total	<u>\$ 11,734,862</u>	<u>\$ -</u>	<u>\$ -</u>
Watershed Protection						
\$ 465,068	\$ 436,466	\$ 659,000	Fund Balance	\$ 467,895	\$ -	\$ -
\$ 1,554,434	\$ 1,550,780	\$ 1,566,000	Watershed Charges	\$ 1,592,000	\$ -	\$ -
\$ 54,053	\$ 50,246	\$ 29,000	Other Revenue	\$ 28,000	\$ -	\$ -
<u>\$ 2,073,555</u>	<u>\$ 2,037,491</u>	<u>\$ 2,254,000</u>	Total	<u>\$ 2,087,895</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater GO Debt Service						
\$ 660,960	\$ 333,919	\$ 623,800	Fund Balance	\$ -	\$ -	\$ -
\$ 15,006	\$ 3,560	\$ -	Interest Revenue	\$ -	\$ -	\$ -
\$ 117,300	\$ 112,385	\$ -	Interest Subsidy	\$ -	\$ -	\$ -
\$ 1,350,500	\$ 812,000	\$ -	Transfers In	\$ -	\$ -	\$ -
<u>\$ 2,143,766</u>	<u>\$ 1,261,864</u>	<u>\$ 623,800</u>	Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater Revenue Bond Debt Service						
\$ 1,374,167	\$ 678,563	\$ 587,000	Fund Balance	\$ 592,666	\$ -	\$ -
\$ 16,738	\$ 5,372	\$ 6,000	Interest Revenue	\$ 1,000	\$ -	\$ -
\$ 1,100,000	\$ 2,871,000	\$ 3,412,000	Transfers In	\$ 3,435,000	\$ -	\$ -
<u>\$ 2,490,905</u>	<u>\$ 3,554,935</u>	<u>\$ 4,005,000</u>	Total	<u>\$ 4,028,666</u>	<u>\$ -</u>	<u>\$ -</u>
Water Capital						
\$ 3,236,048	\$ 4,229,832	\$ 4,135,000	Fund Balance	\$ 3,911,900	\$ -	\$ -
\$ -	\$ -	\$ 200,000	SDCs	\$ -	\$ -	\$ -
\$ 94,115	\$ 34,264	\$ 40,000	Other	\$ -	\$ -	\$ -
\$ 1,675,000	\$ 500,000	\$ 500,000	Transfers In	\$ 800,000	\$ -	\$ -
<u>\$ 5,005,163</u>	<u>\$ 4,764,096</u>	<u>\$ 4,875,000</u>	Total	<u>\$ 4,711,900</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater Capital						
\$ 4,220,098	\$ 5,252,624	\$ 4,535,000	Fund Balance	\$ 4,006,108	\$ -	\$ -
\$ 444,672	\$ 41,565	\$ 50,000	Other Revenue	\$ 30,000	\$ -	\$ -
\$ 1,300,000	\$ 1,000,000	\$ 1,000,000	Transfers In	\$ 2,500,000	\$ -	\$ -
<u>\$ 5,964,770</u>	<u>\$ 6,294,189</u>	<u>\$ 5,585,000</u>	Total	<u>\$ 6,536,108</u>	<u>\$ -</u>	<u>\$ -</u>
Watershed Protection Capital						
\$ 1,816,320	\$ 1,177,315	\$ 1,687,000	Fund Balance	\$ 2,173,058	\$ -	\$ -
\$ 36,387	\$ 11,248	\$ 15,000	Other Revenue	\$ 10,000	\$ -	\$ -
\$ 430,000	\$ -	\$ 480,000	Transfers In	\$ 250,000	\$ -	\$ -
<u>\$ 2,282,707</u>	<u>\$ 1,188,563</u>	<u>\$ 2,182,000</u>	Total	<u>\$ 2,433,058</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 41,834,121</u>	<u>\$ 41,014,334</u>	<u>\$ 40,551,900</u>	TOTAL RESOURCES	<u>\$ 42,218,775</u>	<u>\$ -</u>	<u>\$ -</u>

**OAK LODGE WATER SERVICES DISTRICT
REQUIREMENTS SUMMARY – BY PROGRAM
FY 2022-23**

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	Fund	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
Administrative Services						
\$ 1,764,417	\$ 1,786,109	\$ 2,151,000	Personnel Services	\$ 2,228,000	\$ -	\$ -
\$ 1,868,080	\$ 1,460,167	\$ 2,164,000	Materials & Services	\$ 2,112,403	\$ -	\$ -
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	Debt Service	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	Transfers	\$ -	\$ -	\$ -
\$ 300,000	\$ 552,000	\$ 550,000	Special Payments	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 581,400	Contingency	\$ 834,112	\$ -	\$ -
\$ 598,702	\$ 1,403,898	\$ -	Unappropriated fund balance	\$ -	\$ -	\$ -
<u>\$ 4,531,199</u>	<u>\$ 5,202,174</u>	<u>\$ 5,446,400</u>	Total	<u>\$ 5,174,515</u>	<u>\$ -</u>	<u>\$ -</u>
Drinking Water						
\$ 920,587	\$ 929,500	\$ 1,050,000	Personnel Services	\$ 1,107,000	\$ -	\$ -
\$ 1,420,733	\$ 1,444,659	\$ 1,593,000	Materials & Services	\$ 1,676,600	\$ -	\$ -
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	\$ -
\$ 209,522	\$ 209,801	\$ 209,000	Debt Service	\$ 209,063	\$ -	\$ -
\$ 3,119,000	\$ 2,408,000	\$ 2,000,000	Transfers	\$ 1,808,000	\$ -	\$ -
\$ -	\$ -	\$ 646,000	Contingency	\$ 711,108	\$ -	\$ -
\$ 1,504,201	\$ 1,292,554	\$ -	Unappropriated fund balance	\$ -	\$ -	\$ -
<u>\$ 7,174,043</u>	<u>\$ 6,284,513</u>	<u>\$ 5,498,000</u>	Total	<u>\$ 5,511,771</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater						
<i>Treatment</i>						
\$ 1,006,597	\$ 986,879	\$ 1,140,000	Personnel Services	\$ 1,105,000	\$ -	\$ -
\$ 804,996	\$ 842,736	\$ 1,033,900	Materials & Services	\$ 1,085,250	\$ -	\$ -
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	\$ -
<i>Collections</i>						
\$ 692,756	\$ 761,467	\$ 729,000	Personnel Services	\$ 752,000	\$ -	\$ -
\$ 77,912	\$ 70,757	\$ 110,500	Materials & Services	\$ 186,500	\$ -	\$ -
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	Debt Service	\$ -	\$ -	\$ -
\$ 5,778,500	\$ 6,709,000	\$ 6,311,000	Transfers	\$ 7,855,000	\$ -	\$ -
\$ -	\$ -	\$ 758,300	Contingency	\$ 751,112	\$ -	\$ -
\$ 1,807,252	\$ 1,055,670	\$ -	Unappropriated fund balance	\$ -	\$ -	\$ -
<u>\$ 10,168,013</u>	<u>\$ 10,426,509</u>	<u>\$ 10,082,700</u>	Total	<u>\$ 11,734,862</u>	<u>\$ -</u>	<u>\$ -</u>
Watershed Protection						
\$ 46,095	\$ 110,566	\$ 153,000	Personnel Services	\$ 160,000	\$ -	\$ -
\$ 25,070	\$ 50,209	\$ 299,100	Materials & Services	\$ 243,800	\$ -	\$ -
\$ -	\$ -	\$ -	Capital Outlay	\$ -	\$ -	\$ -
\$ 62,558	\$ 62,558	\$ 64,000	Debt Service	\$ 120,000	\$ -	\$ -
\$ 1,459,000	\$ 1,135,000	\$ 1,488,000	Transfers	\$ 1,258,000	\$ -	\$ -
\$ -	\$ -	\$ 249,900	Contingency	\$ 306,095	\$ -	\$ -
\$ 480,832	\$ 679,158	\$ -	Unappropriated fund balance	\$ -	\$ -	\$ -
<u>\$ 2,073,555</u>	<u>\$ 2,037,491</u>	<u>\$ 2,254,000</u>	Total	<u>\$ 2,087,895</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater GO Debt Service						
\$ 1,809,847	\$ 638,100	\$ -	Debt Service	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 623,800	Transfers	\$ -	\$ -	\$ -
\$ 333,919	\$ 623,764	\$ -	Reserve for future expenditure	\$ -	\$ -	\$ -
<u>\$ 2,143,766</u>	<u>\$ 1,261,864</u>	<u>\$ 623,800</u>	Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater Revenue Bond Debt Service						
\$ 1,812,342	\$ 2,963,464	\$ 3,411,805	Debt Service	\$ 3,434,144	\$ -	\$ -
\$ 678,563	\$ 591,471	\$ 593,195	Reserve for future expenditure	\$ 594,522	\$ -	\$ -
<u>\$ 2,490,905</u>	<u>\$ 3,554,935</u>	<u>\$ 4,005,000</u>	Total	<u>\$ 4,028,666</u>	<u>\$ -</u>	<u>\$ -</u>
Water Capital						
\$ 775,331	\$ 351,049	\$ 1,985,000	Capital Outlay	\$ 2,879,000	\$ -	\$ -
\$ -	\$ -	\$ -	Debt Service	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	Transfers	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 2,890,000	Contingency	\$ 288,000	\$ -	\$ -
\$ 4,229,832	\$ 4,413,047	\$ -	Reserve for future expenditure	\$ 1,544,900	\$ -	\$ -
<u>\$ 5,005,163</u>	<u>\$ 4,764,096</u>	<u>\$ 4,875,000</u>	Total	<u>\$ 4,711,900</u>	<u>\$ -</u>	<u>\$ -</u>
Wastewater Capital						
\$ 712,146	\$ 1,378,117	\$ 2,510,000	Capital Outlay	\$ 4,818,340	\$ -	\$ -
\$ -	\$ -	\$ -	Debt Service	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	Transfers	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 3,075,000	Contingency	\$ 481,834	\$ -	\$ -
\$ 5,252,624	\$ 4,916,072	\$ -	Reserve for future expenditure	\$ 1,235,934	\$ -	\$ -
<u>\$ 5,964,770</u>	<u>\$ 6,294,189</u>	<u>\$ 5,585,000</u>	Total	<u>\$ 6,536,108</u>	<u>\$ -</u>	<u>\$ -</u>
Watershed Protection Capital						
\$ 1,105,392	\$ 5,299	\$ 300,000	Capital Outlay	\$ 300,000	\$ -	\$ -
\$ -	\$ -	\$ -	Debt Service	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	Transfers	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 1,882,000	Contingency	\$ 50,000	\$ -	\$ -
\$ 1,177,315	\$ 1,183,264	\$ -	Reserve for future expenditure	\$ 2,083,058	\$ -	\$ -
<u>\$ 2,282,707</u>	<u>\$ 1,188,563</u>	<u>\$ 2,182,000</u>	Total	<u>\$ 2,433,058</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 41,834,121</u>	<u>\$ 41,014,334</u>	<u>\$ 40,551,900</u>	TOTAL REQUIREMENTS	<u>\$ 42,218,775</u>	<u>\$ -</u>	<u>\$ -</u>

**Administrative Services Fund
Fund 05**

Purpose: The Administrative Services Fund centralizes the accounting and reporting for support services within OLWS – General Administration and Finance, Human Resources, Technical Services, and Vehicle Maintenance. Each of these support services are funded through transfers from OLWS’ operating funds on a predetermined basis of allocation.

Goals: The goal of the Administrative Services Fund is to provide an efficient and fair means to capture and allocate support services costs

Full Time Employees (FTE): 15

Major Funding Source(s): Operating transfers from the Drinking Water, Wastewater Reclamation, and Watershed Protection Funds.

The following provides a brief description of support services accounted for in the Administrative Services Fund.

Administration & Finance – Division 01

The Administration & Finance Division accounts for activities related to OLWS’ general administration, finance, and management. There are seven (7) full time employees within the Division comprised of the General Manager, Finance Director, Sr. Accounting Lead, Jr. Accounting Specialist, and three (3) Administrative Specialist II.

Under the direct control of OLWS General Manager, this Division accounts for legal, audit, and other professional relationships and costs of OLWS. Office supplies and other central services costs related to administration of OLWS are budgeted in Division 01 as well – including janitorial, building maintenance, and utilities.

Under the direction of the Finance Director, activities and functions related to accounting, budgeting and financial reporting are accounted for in Division 01. Activities supporting the general ledger accounting, accounts payable and receivable, and utility billing and collections are all budgeted within the Administration & Finance Division.

Human Resources – Division 02

The Human Resources Division consists of three full-time employees, the Human Resources (HR) and Payroll Manager, the District Recorder, and the Outreach and Communication Specialist. The HR and Payroll Manager is responsible for the oversight of personnel management, payroll, risk management, OSHA requirements affecting all staff, recruitment and hiring, staff training, on-boarding, employment law and labor contract compliance as well as the insurance, including employee benefits, property, casualty, and worker’s compensation.

The District Recorder is responsible for managing the OLWS records, public meetings, notices, packets, and minutes. The District Recorder is OLWS’ Election Official, serves as an executive assistant to both the General Manager and the HR and Payroll Manager, and manages the Records Management Team. The District Recorder tracks pertinent District lists, including contracts and vendors. In managing OLWS’ records, the District Recorder ensures OLWS meets retention and destruction requirements for all records.

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

The Outreach and Communications Specialist works on communications and outreach for both external and internal to OLWS.

Board expenses are in the HR budget to coincide with the District Recorder’s duties. The total of OLWS’ property, casualty and cyber security insurance are budgeted in this Division to reflect the HR Manager’s oversight of insurance and claims. Finally, all telephone and cell services are budgeted in Division 02 with oversight by the HR and Payroll Manager. Uniforms have been moved from individual funds to all reside in the HR budget for overall District oversight.

Technical Services – Division 03

Organizationally and for reporting purposes, the Technical Services Division is home to six (6) full-time employees, the District Engineer, Water Services Engineer, Technical Services Coordinator, Development Review Specialist, Water Quality Coordinator, and Pollution Prevention Specialist. The Water Quality Specialist position is budgeted in the Watershed Protection Fund. Together, these positions provide direct support to the operating funds with respect to State issued permits, development review and permit issuance, project inspections, engineering, capital project management, information technology for OLWS, education, and outreach.

OLWS information technology costs including hardware, software, and support services are budgeted within Division 03.

Vehicle Maintenance – Division 04

The Vehicle Maintenance Division budgets and accounts for all maintenance and fuel costs related to the OLWS’ vehicles. The Division has no directly assigned FTE.

Fund 05 - Administrative Services Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
05-00- Resources								
\$ -	\$ 598,701	\$ 978,000	\$ 1,376,002	3500	Beginning Fund Balance	\$ 1,168,115		
-	-	57,400	57,400	4230	Contract Services Revenue	57,400		
20,015	15,928	-	-	4320	State Grant Revenue	-		
4,932	1,694	3,000	3,000	4610	Investment Revenue	3,000		
3,209	16,851	1,000	22,544	4630	Miscellaneous Revenues	10,000		
2,042	-	-	-	4640	Proceeds from sale of capital assets	-		
05-29- Transfers In								
\$ 1,444,000	\$ 1,908,000	\$ 1,500,000	\$ 1,500,000	4910	Transfer In from Fund 10	\$ 1,008,000		
2,028,000	2,026,000	1,899,000	1,899,000	4920	Transfer In from Fund 20	1,920,000		
1,029,000	635,000	1,008,000	1,008,000	4930	Transfer In from Fund 30	1,008,000		
\$ 4,531,199	\$ 5,202,174	\$ 5,446,400	\$ 5,865,946	Total Resources		\$ 5,174,515	\$ -	\$ -

**OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23**

Fund 05 - Administrative Services Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
Division 01 - Finance/Administration								
05-01- Personnel Services - 7 FTE								
\$ 578,847	\$ 582,896	\$ 657,000	\$ 550,665	5110	Regular employees	\$ 705,000		
11,523	-	-	-	5120	Temporary/Seasonal	-		
6,974	6,332	5,000	3,042	5130	Overtime	5,000		
88,607	95,114	127,000	107,797	5210	Health/Dental insurance	125,000		
41,103	41,339	51,000	38,684	5230	Social Security	55,000		
113,724	111,903	128,000	97,676	5240	Retirement	138,000		
4,503	4,571	6,000	4,343	5250	Trimet/WBF	6,000		
12,960	(2,693)	5,000	-	5260	Unemployment	5,000		
7,599	670	1,000	350	5270	Workers compensation	1,000		
197	430	2,000	352	5290	Other employee benefits	2,000		
\$ 866,036	\$ 840,561	\$ 982,000	\$ 802,907	Total Personnel Services		\$ 1,042,000	\$ -	\$ -
05-01- Materials and Services								
Professional and technical services								
\$ 302,303	\$ 168,598	\$ 375,000	\$ 375,000	6110	Legal services	\$ 375,000		
106,534	69,319	50,000	52,020	6120	Accounting and audit services	76,000		
320,162	179,123	188,000	243,273	6155	Contracted Services	200,000		
34,530	31,578	42,000	58,406	6180	Dues and subscriptions	60,000		
Utilities								
11,122	13,558	14,000	14,197	6220	Electricity	13,000		
1,532	3,475	4,000	4,000	6240	Natural gas	4,000		
21,066	18,599	10,000	10,000	6290	Other utilities	10,000		
Repairs and maintenance								
14,614	15,003	15,000	14,691	6310	Janitorial services	15,000		
9,312	25,433	20,000	34,338	6320	Buildings and grounds	35,000		
Travel and Training								
-	-	1,000	-	6410	Mileage	1,000		
14,078	505	12,000	4,732	6420	Staff training	12,000		
4,492	(886)	-	-	6440	Board expense	2,000		
Supplies								
20,688	31,194	32,000	29,180	6510	Office supplies	32,000		
335	300	-	-	6530	Small tools and equipment	-		
673	-	-	-	6560	Uniforms	-		
850	-	-	-	6610	Board Compensation	-		
2,361	1,646	2,000	2,013	6730	Communications	2,000		
2,137	209	1,000	1,000	6740	Advertising	-		
3,487	3,878	5,000	3,517	6760	Equipment rental	4,000		
130,862	146,988	140,000	126,658	6770	Bank charges	160,000		
450	1,817	1,500	1,626	6780	Taxes, Fees, Permits	2,000		
2,644	22,728	76,000	76,000	6785	ECAP Payments	-		
427	85	1,000	1,000	6900	Miscellaneous expense	1,000		
\$ 1,004,659	\$ 733,151	\$ 989,500	\$ 1,051,651	Total Materials and Services		\$ 1,004,000	\$ -	\$ -

**OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23**

Fund 05 - Administrative Services Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
Division 02 - Human Resources								
05-02- Personnel Services - 2 FTE								
\$ 124,587	\$ 167,772	\$ 188,000	\$ 171,378	5110	Regular employees	\$ 278,000		
-	-	-	-	5120	Temporary/Seasonal	-		
618	2,188	5,000	1,090	5130	Overtime	5,000		
10,687	21,444	27,000	20,751	5210	Health/Dental insurance	36,000		
9,473	12,785	15,000	12,939	5230	Social Security	22,000		
21,604	30,190	34,000	31,350	5240	Retirement	50,000		
985	1,235	2,000	1,825	5250	Trimet/WBF	3,000		
-	-	-	-	5260	Unemployment	-		
2,548	(38)	1,000	146	5270	Workers compensation	1,000		
303	-	1,000	-	5290	Other employee benefits	1,000		
\$ 170,805	\$ 235,576	\$ 273,000	\$ 239,480	Total Personnel Services		\$ 396,000	\$ -	\$ -
05-02- Materials and Services								
\$ 17,608	\$ -	\$ 16,000	\$ 13,713	6155	Contracted Services	\$ 52,000		
-	6,935	8,000	6,374	6175	Records management	8,500		
662	989	-	-	6180	Dues and subscriptions	-		
56,635	52,232	57,000	55,723	6230	Telephone	63,000		
Utilities								
495	-	1,000	500	6410	Mileage	1,000		
14,213	7,595	12,000	9,406	6420	Staff training	25,000		
-	2,531	7,000	7,000	6440	Board Expense	7,000		
Travel and Training								
1,517	402	1,000	1,000	6510	Office supplies	2,200		
90	805	2,000	2,000	6540	Safety supplies	2,000		
-	-	36,000	39,594	6560	Uniforms	38,000		
-	-	2,500	-	6610	Board Compensation	2,500		
-	3,376	-	-	6620	Elections Costs	5,000		
152,267	156,050	270,000	254,525	6720	Insurance	300,000		
-	1,315	4,000	1,210	6730	Communications	38,100		
5,334	6,877	5,500	6,906	6740	Advertising	6,000		
-	-	1,000	1,000	6900	Miscellaneous expense	1,000		
\$ 248,820	\$ 239,108	\$ 423,000	\$ 398,951	Total Materials and Services		\$ 551,300	\$ -	\$ -

**OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23**

Fund 05 - Administrative Services Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
Division 03 - Technical Services								
05-03- Personnel Services - 6 FTE								
\$ 489,612	\$ 504,225	\$ 622,000	\$ 624,079	5110	Regular employees	\$ 549,000		
969	2,218	5,000	2,165	5130	Overtime	5,000		
99,728	84,381	93,000	76,349	5210	Health/Dental Insurance	83,000		
35,597	37,101	49,000	45,253	5230	Social Security	43,000		
90,267	77,353	119,000	121,115	5240	Retirement	102,000		
3,803	3,991	5,000	4,983	5250	Trimet/WBF	5,000		
-	-	-	-	5260	Unemployment	-		
7,599	663	1,000	453	5270	Workers compensation	1,000		
-	39	2,000	-	5290	Other employee benefits	2,000		
\$ 727,576	\$ 709,972	\$ 896,000	\$ 874,397	Total Personnel Services		\$ 790,000	\$ -	\$ -
05-03- Materials and Services								
\$ 173,979	\$ 88,512	\$ 165,500	\$ 251,289	6155	Contracted Services	\$ 95,500		
6,576	2,730	-	-	6180	Dues and subscriptions	-		
Repairs and maintenance								
244,723	219,652	318,000	318,000	6350	Computer maintenance	313,103		
245	-	-	-	6390	Other repairs and maintenance	-		
Travel and Training								
314	-	3,000	1,000	6410	Mileage	1,000		
6,230	5,071	15,000	7,500	6420	Staff training	10,500		
-	530	500	500	6430	Certifications	2,000		
-	-	-	-	6440	Board travel and training	-		
Supplies								
10,457	(728)	-	2,000	6510	Office supplies	-		
-	4,251	6,000	3,000	6530	Small tools and equipment	-		
1,362	2,950	2,500	2,000	6540	Safety Supplies	5,000		
-	-	-	-	6550	Operational Supplies	3,000		
198	-	-	-	6560	Uniforms	-		
70,744	78,100	119,000	85,156	6730	Communications	-		
-	-	1,000	-	6900	Miscellaneous expense	1,000		
\$ 514,828	\$ 401,069	\$ 630,500	\$ 670,445	Total Materials and Services		\$ 431,103	\$ -	\$ -
Division 04 - Vehicle Services								
05-04- Materials and Services								
Repairs and maintenance								
\$ 49,277	\$ 50,089	\$ 70,000	\$ 70,000	6330	Vehicle/equipment maintenance	\$ 75,000		
50,497	36,750	51,000	40,000	6520	Fuel and oils	51,000		
\$ 99,773	\$ 86,839	\$ 121,000	\$ 110,000	Total Materials and Services		\$ 126,000	\$ -	\$ -
05-25- Special Payments								
\$ 300,000	\$ 552,000	\$ 550,000	\$ 550,000	6990	Special Payments - PERS			
\$ 300,000	\$ 552,000	\$ 550,000	\$ 550,000	Total Special Payments		\$ -	\$ -	\$ -
Non-divisional								
05-29- Contingency								
\$ -	\$ -	\$ 581,400	\$ -	9000	Contingency	\$ 834,112		
\$ -	\$ -	\$ 581,400	\$ -	Total Contingency		\$ 834,112	\$ -	\$ -
\$ 3,932,497	\$ 3,798,276	\$ 5,446,400	\$ 4,697,831	Total Appropriations		\$ 5,174,515	\$ -	\$ -
\$ 598,702	\$ 1,403,898	\$ -	\$ 1,168,115	Unappropriated ending fund balance		\$ -	\$ -	\$ -
\$ 4,531,199	\$ 5,202,174	\$ 5,446,400	\$ 5,865,946	Total Requirements		\$ 5,174,515	\$ -	\$ -

**Drinking Water Fund
 Fund 10**

Purpose: The purpose of the Drinking Water Fund is to manage and direct operations related to distribution of potable drinking water to OLWS’ residents and customers.

OLWS maintains and operates a water transmission and distribution system to deliver water purchased directly from the North Clackamas County Water Commission (NCCWC). NCCWC takes water from the Clackamas River, treats it, and wholesales to customers including OLWS. OLWS is also part owner of the treatment plant operated by the NCCWC.

Goals: The following details the goals of the Drinking Water Fund:

- Efficiently meet the drinking water collection, transmission, and distribution needs of the community through uninterrupted service delivery.
- Provide fire protection.
- Protect community health.
- Provide safe drinking water to the community.
- Reduce non-revenue water.

Full Time Employees (FTE): 7.80

Major Funding Source(s): Water service charges billed to OLWS customers.

The Drinking Water Fund budgets and accounts for the cost of purchased water and all associated costs of delivering safe drinking water to OLWS customers including system maintenance, and a share of the support costs attributable to the water operations via transfers to the Administrative Services Fund. The Drinking Water Fund also makes transfers to a capital fund for capital projects related to the distribution system.

The Utility Operations Director splits his time between water distribution and wastewater collections activities, and directly supervises a water field supervisor and six (6) water utility workers within the Drinking Water Fund. The Asset Resource Specialist is allocated at 0.3 FTE to the Drinking Water Fund.

Fund 10 - Drinking Water Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
10-00- Resources								
\$ 2,430,387	\$ 1,504,202	\$ 1,086,000	\$ 1,280,920	3500	Beginning Fund Balance	\$ 1,015,771		
30,578	25,624	30,000	30,000	4210	Water sales - CRW	30,000		
3,945,069	4,093,022	4,120,000	4,120,000	4211	Water sales	4,223,000		
14,385	345	10,000	10,000	4215	Penalties and late charges	15,000		
412,360	346,821	-	120,449	4220	System development charges	-		
53,400	45,400	-	-	4230	Contract services Revenue	-		
22,085	34,564	10,000	20,000	4240	Service installations	10,000		
173,020	178,785	200,000	180,000	4280	Rents and leases	180,000		
13,004	16,964	10,000	14,000	4290	Other charges for services	10,000		
7,179	-	-	-	4320	State Grant Revenue	-		
14,561	5,545	7,000	3,000	4610	Investment revenue	3,000		
58,017	33,242	25,000	28,000	4630	Miscellaneous revenues	25,000		
\$ 7,174,043	\$ 6,284,513	\$ 5,498,000	\$ 5,806,369	Total Resources		\$ 5,511,771	\$ -	\$ -

**OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23**

Fund 10 - Drinking Water Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
Division 20 - Drinking Water Operations								
10-20- Personnel Services - 7.80 FTE								
\$ 593,777	\$ 591,280	\$ 677,000	\$ 648,282	5110	Regular employees	\$ 723,000		
25,151	33,976	29,000	27,903	5130	Overtime	31,000		
104,274	117,166	134,000	100,099	5210	Health/Dental insurance	134,000		
54,646	48,164	53,000	50,936	5230	Social Security	56,000		
123,345	120,194	127,000	130,761	5240	Retirement	133,000		
4,809	4,899	6,000	5,386	5250	Trimet/WBF	6,000		
5,142	-	-	-	5260	Unemployment	-		
9,282	13,655	19,000	9,704	5270	Workers compensation	19,000		
161	165	5,000	-	5290	Other employee benefits	5,000		
\$ 920,587	\$ 929,500	\$ 1,050,000	\$ 973,070		Total Personnel Services	\$ 1,107,000	\$ -	\$ -
10-20- Materials and Services								
Professional and technical services								
\$ 155	\$ 7,799	\$ 66,000	\$ 71,500	6155	Contracted Services	\$ 166,500		
Utilities								
30,549	32,508	32,000	35,025	6220	Electricity	38,000		
948	-	-	-	6230	Telephone	-		
3,783	2,996	3,000	3,000	6240	Natural gas	3,500		
1,982	2,282	3,000	3,480	6290	Other utilities	3,600		
Repairs and maintenance								
167	99	-	-	6310	Janitorial services	-		
7,382	9,435	40,000	40,000	6320	Buildings and grounds	10,000		
207,278	183,445	250,000	250,000	6340	Distribution system maintenance	200,000		
42,134	34,111	-	-	6390	Other repairs and maintenance	-		
Travel and Training								
112	78	-	-	6410	Mileage	500		
7,975	3,037	15,000	7,500	6420	Staff training	12,500		
1,405	2,104	2,000	2,000	6430	Certifications	2,000		
Supplies								
544	508	-	-	6510	Office supplies	-		
6,305	5,420	9,000	9,000	6530	Small tools and equipment	9,000		
15,281	11,466	15,000	15,000	6540	Safety Supplies	15,000		
1,605	3,805	7,000	6,864	6550	Operational Supplies	7,000		
5,016	2,014	-	-	6560	Uniforms	-		
1,060,505	1,116,544	1,117,000	1,134,087	6710	Purchased water	1,170,000		
10,561	15,881	12,000	11,128	6715	Water quality program	16,000		
38	295	-	-	6730	Communications	-		
-	-	3,000	3,000	6760	Equipment rental	3,000		
16,368	10,124	18,000	15,959	6780	Taxes, Fees, Permits	19,000		
639	707	1,000	1,000	6900	Miscellaneous expense	1,000		
\$ 1,420,733	\$ 1,444,659	\$ 1,593,000	\$ 1,608,542		Total Materials and Services	\$ 1,676,600	\$ -	\$ -

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

Fund 10 - Drinking Water Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
10-24- Debt Service								
Principal payments								
\$ 175,000	\$ 179,000	\$ 183,000	\$ 183,000	6815	2019 Zions Bank Loan - Due 02/01/2022	\$ 188,000		
Interest payments								
16,768	15,400	13,000	12,993	6825	2019 Zions Bank Loan - Due 08/01/2021	10,531		
17,754	15,400	13,000	12,993	6825	2019 Zions Bank Loan - Due 02/01/2022	10,531		
<u>\$ 209,522</u>	<u>\$ 209,801</u>	<u>\$ 209,000</u>	<u>\$ 208,986</u>	Total Debt Service		<u>\$ 209,063</u>	<u>\$ -</u>	<u>\$ -</u>
Non-divisional								
10-29- Transfers Out								
\$ 1,444,000	\$ 1,908,000	\$ 1,500,000	\$ 1,500,000	8105	Transfer Out to Fund 05	\$ 1,008,000		
1,675,000	500,000	500,000	500,000	8171	Transfer Out to Fund 71	800,000		
<u>\$ 3,119,000</u>	<u>\$ 2,408,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	Total Transfers		<u>\$ 1,808,000</u>	<u>\$ -</u>	<u>\$ -</u>
10-29- Contingency								
-	\$ -	\$ 646,000	-	9000	Contingency	\$ 711,108	\$ -	\$ -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 646,000</u>	<u>\$ -</u>	Total Contingency		<u>\$ 711,108</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 5,669,842</u>	<u>\$ 4,991,960</u>	<u>\$ 5,498,000</u>	<u>\$ 4,790,598</u>	Total Appropriations		<u>\$ 5,511,771</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,504,201	\$ 1,292,554	\$ -	\$ 1,015,771	Unappropriated ending fund balance		\$ -	\$ -	\$ -
<u>\$ 7,174,043</u>	<u>\$ 6,284,513</u>	<u>\$ 5,498,000</u>	<u>\$ 5,806,369</u>	Total Requirements		<u>\$ 5,511,771</u>	<u>\$ -</u>	<u>\$ -</u>

**Wastewater Reclamation Fund
Fund 20**

Purpose: The purpose of the Wastewater Reclamation Fund is to manage operating and capital requirements related to activities of the wastewater reclamation program.

Wastewater reclamation activities comprise managing a wastewater collection system totaling 100 miles in length, five strategically located wastewater pumping stations, and a facility that reclaims an average of 4 million gallons of wastewater per day. In a given fiscal year OLWS collects, treats, and reclaims more than 1.4 billion gallons of wastewater.

OLWS holds a National Pollutant Discharge Elimination System (NPDES) Permit issued by the State of Oregon Department of Environmental Quality (DEQ) that allows OLWS to be responsible for the management of the wastewater reclamation program in its service area. The NPDES Permit establishes mandatory water quality standards for the discharge of reclaimed water into the watershed. The main outfall point is located at the reclamation facility and discharge goes directly into the Willamette River. A new permit will be completed and in place for FY 2022-23.

Goals: The following details the goals of the Wastewater Reclamation Fund:

- Efficiently meet the wastewater collection, transmission, and reclamation needs of the community through uninterrupted service delivery.
- Provide environmental protection for the Willamette River.
- Protect community health.

Full Time Employees (FTE): 14.10; 8.30 FTE in Wastewater Treatment (Division 21) and 5.80 FTE in Wastewater Collections (Division 22)

Major Funding Source(s): Wastewater service charges billed OLWS customers.

The Wastewater Reclamation Fund is divided between two divisions: treatment and collections. The Treatment Division budgets and accounts for direct costs of treatment including electricity, chemicals, equipment, hauling and land application of biosolids, operation and maintenance, and other costs. The Collections Division is charged with maintenance of the system that brings wastewater to the plant. The Fund also pays a share of support services costs to the Administrative Services Fund via operating transfers based on an analysis of relative support received. The Fund also makes transfers to support capital projects and to cover debt service requirements related to the improvements and expansion at the treatment plant.

Staffing within the Wastewater Reclamation Fund is divided functionally between treatment and collection responsibilities. The Plant Superintendent directly oversees the treatment operations and directs the five (5) plant operators, two (2) mechanics, and the asset resource specialist position. The Utility Operations Director splits his time between water distribution and wastewater collections activities, and directly supervises a collections field supervisor and four (4) collections utility workers within the Drinking Water Fund. The Asset Resource Specialist is allocated at 0.3 FTE each to the Treatment and Collections Divisions, respectively.

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

Fund 20 - Wastewater Reclamation Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
20-00- Resources								
\$ 1,315,555	\$ 1,807,252	\$ 834,900	\$ 1,011,608	3500	Beginning Fund Balance	\$ 1,207,862		
8,199,915	8,273,657	8,459,000	8,459,000	4212	Wastewater charges	10,407,000		
6,816	7	10,000	7,000	4215	Penalties and late charges	7,000		
592,263	315,065	125,000	100,000	4220	System development charges	100,000		
12,106	-	-	-	4240	Service installations	-		
14,964	25,777	20,000	10,000	4290	Other charges for services	10,000		
4,220	908	-	-	4320	State Grants Revenue	-		
7,540	1,866	2,000	1,000	4610	Investment revenue	1,000		
14,636	1,978	8,000	2,000	4630	Miscellaneous revenues	2,000		
20-29- Transfers In								
\$ -	\$ -	\$ 623,800.00	\$ 625,413.52	4940	Transfer In from Fund 40	\$ -		
\$ 10,168,013	\$ 10,426,509	\$ 10,082,700	\$ 10,216,021		Total Resources	\$ 11,734,862	\$ -	\$ -

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

Fund 20 - Wastewater Reclamation Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
Division 21 - Wastewater Treatment Operations								
20-21- Personnel Services - 8.30 FTE *								
\$ 621,112	\$ 603,847	\$ 704,000	\$ 648,255	5110	Regular employees	\$ 681,000		
60,432	56,252	40,000	34,497	5130	Overtime	40,000		
136,042	153,248	185,000	140,192	5210	Health/Dental insurance	185,000		
50,866	49,450	55,000	51,197	5230	Social Security	53,000		
122,726	105,139	127,000	95,045	5240	Retirement	123,000		
5,277	5,174	6,000	5,413	5250	Trimet/WBF	6,000		
-	-	-	-	5260	Unemployment	-		
10,101	13,769	18,000	10,067	5270	Workers compensation	12,000		
40	-	5,000	-	5290	Other employee benefits	5,000		
\$ 1,006,597	\$ 986,879	\$ 1,140,000	\$ 984,667	Total Personnel Services - Treatment		\$ 1,105,000	\$ -	\$ -
20-21- Materials and Services **								
Professional and technical services								
\$ 59,966	\$ 161,481	\$ 178,000	\$ 222,247	6155	Contracted Services	\$ 253,750		
1,655	(41)	-	-	6180	Dues and subscriptions	-		
Utilities								
255,770	300,008	276,000	333,278	6220	Electricity	307,000		
965	-	-	-	6230	Telephone	-		
874	726	2,000	2,000	6240	Natural gas	2,000		
98,436	44,296	42,000	48,213	6250	Solid Waste Disposal	52,000		
1,131	1,283	2,000	-	6290	Other utilities	-		
Repairs and maintenance								
9,095	11,130	10,000	9,891	6310	Janitorial services	11,000		
82,240	60,270	58,000	52,314	6320	Buildings and grounds	58,000		
-	-	-	-	6330	Vehicle and equipment maintenance	-		
144,363	115,913	270,000	200,000	6342	WRF system maintenance	200,000		
80	-	-	-	6350	Computer maintenance	-		
Travel and Training								
-	-	1,000	500	6410	Mileage	1,000		
5,709	1,824	9,000	5,000	6420	Staff training	9,000		
420	590	2,000	2,000	6430	Certifications	2,000		
Supplies								
708	284	-	-	6510	Office supplies	-		
-	549	-	-	6520	Fuel and oils	-		
20,663	31,613	55,000	57,000	6525	Chemicals	65,000		
9,905	6,798	10,000	7,000	6530	Small tools and equipment	10,000		
17,034	12,113	20,000	20,000	6540	Safety supplies	20,000		
11,390	12,485	14,000	14,000	6550	Operational supplies	14,000		
25,727	19,777	-	-	6560	Uniforms	-		
7,609	6,246	10,000	5,000	6590	Other supplies	5,000		
(4,265)	-	-	-	6720	Insurance	-		
-	496	1,000	500	6740	Advertising	500		
9,202	6,609	-	-	6750	Other purchased services	-		
46,318	48,283	72,900	72,900	6780	Taxes, Fees, Permits	74,000		
-	4	1,000	1,000	6900	Miscellaneous expense	1,000		
\$ 804,996	\$ 842,736	\$ 1,033,900	\$ 1,052,843	Total Materials and Services - Treatment		\$ 1,085,250	\$ -	\$ -

**OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23**

Fund 20 - Wastewater Reclamation Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
Division 22 - Wastewater Collections Operations								
20-22- Personnel Services - 5.80 FTE								
\$ 466,414	\$ 507,659	\$ 488,000	\$ 359,367	5110	Regular employees	\$ 507,000		
-	-	-	6,183	5120	Temporary/Seasonal employees	-		
9,198	10,125	11,000	7,490	5130	Overtime	11,000		
85,348	101,007	109,000	88,012	5210	Health/Dental Insurance	109,000		
36,321	39,094	38,000	28,472	5230	Social Security	40,000		
84,959	91,370	63,000	67,006	5240	Retirement	65,000		
3,782	4,137	4,000	3,019	5250	Trimet/WBF	4,000		
-	-	-	-	5260	Unemployment	-		
6,734	8,075	11,000	5,099	5270	Workers compensation	11,000		
-	-	5,000	-	5290	Other employee benefits	5,000		
\$ 692,756	\$ 761,467	\$ 729,000	\$ 564,649	Total Personnel Services - Collections		\$ 752,000	\$ -	\$ -
20-22- Materials and Services - Collections								
Professional and technical services								
\$ -	\$ -	\$ -	\$ -	6155	Contracted Services	\$ 12,500		
Utilities								
-	-	-	-	6220	Electricity	50,000		
155	-	-	-	6230	Telephone	-		
34	-	-	-	6240	Natural gas	-		
92	-	-	-	6290	Other utilities	2,000		
Repairs and maintenance								
-	(44)	-	-	6310	Janitorial services	-		
549	1,018	1,000	1,000	6320	Buildings and grounds	1,000		
38,142	17,969	50,000	30,000	6342	Collection system maintenance	45,000		
8,808	741	5,000	-	6390	Other repairs and maintenance	-		
Travel and Training								
466	-	-	500	6410	Mileage	1,000		
4,458	1,169	8,000	8,000	6420	Staff training	18,000		
640	460	2,000	1,000	6430	Certifications	2,000		
Supplies								
1,002	284	-	-	6510	Office supplies	-		
6,618	10,237	15,000	15,000	6530	Small tools and equipment	15,000		
3,213	5,150	9,000	9,000	6540	Safety Supplies	9,000		
1,987	1,789	5,000	5,000	6550	Operational Supplies	5,000		
4,079	15,964	-	-	6560	Uniforms	-		
90	-	-	-	6590	Other supplies	-		
2,093	3,585	-	-	6750	Other purchased services	-		
5,486	12,436	14,500	24,500	6780	Taxes, Fees, Permits	25,000		
-	-	1,000	1,000	6900	Miscellaneous expense	1,000		
\$ 77,912	\$ 70,757	\$ 110,500	\$ 95,000	Total Materials and Services - Collections		\$ 186,500	\$ -	\$ -
Non-divisional								
20-29- Transfers Out								
\$ 2,028,000	\$ 2,026,000	\$ 1,899,000	\$ 1,899,000	8105	Transfer Out to Fund 05	\$ 1,920,000		
1,350,500	812,000	-	-	8140	Transfer Out to Fund 40	-		
1,100,000	2,871,000	3,412,000	3,412,000	8150	Transfer Out to Fund 50	3,435,000		
1,300,000	1,000,000	1,000,000	1,000,000	8172	Transfer Out to Fund 72	2,500,000		
\$ 5,778,500	\$ 6,709,000	\$ 6,311,000	\$ 6,311,000	Total Transfers		\$ 7,855,000	\$ -	\$ -
20-29- Contingency								
\$ -	\$ -	\$ 758,300	\$ -	9000	Contingency	\$ 751,112		
\$ -	\$ -	\$ 758,300	\$ -	Total Contingency		\$ 751,112	\$ -	\$ -
\$ 8,360,761	\$ 9,370,839	\$ 10,082,700	\$ 9,008,159	Total Appropriations		\$ 11,734,862	\$ -	\$ -
\$ 1,807,252	\$ 1,055,670	\$ -	\$ 1,207,862	Unappropriated ending fund balance		\$ -		
\$ 10,168,013	\$ 10,426,509	\$ 10,082,700	\$ 10,216,021	Total Requirements		\$ 11,734,862	\$ -	\$ -

Watershed Protection Fund
Fund 30

Purpose: The purpose of the Watershed Protection Fund is to manage operating and capital requirements related to activities of the watershed protection program.

Watershed protection activities comprise managing a surface water management collection system totaling 84 miles in length. OLWS is a joint holder of a National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Permit issued by the State of Oregon Department of Environmental Quality (DEQ) that allows OLWS to be jointly responsible for the management of watershed protection activities in its service area. The NPDES Permit establishes mandatory water quality standards for the discharge of un-reclaimed water into watersheds. Watersheds within OLWS service area include Boardman Creek and River Forest Creek; but discharge also occurs into Kellogg Creek and Rinearson Creek. All watersheds, or portions of watersheds, ultimately discharge to the Willamette River.

Goals: The following details the goals of the Wastewater Reclamation Fund:

- Educate residents, developers, contractors, businesses, industries, and youth about watershed protection.
- Protect local watersheds through planning, permits, and regulations.
- Minimize, or eliminate pollutants that may impair the proper functioning ecological condition of the area rivers, lakes, and streams.
- Operate, maintain, control, and regulate the negative impacts of surface water and storm water runoff to protect the community's health and safety.
- Where feasible, mitigate storm water impacts on public and private property during normal conditions.

Full Time Employees (FTE): 1.10

Major Funding Source(s): Watershed protection charges billed to OLWS customers.

The primary costs budgeted and accounted for in the Watershed Protection Fund relate to system maintenance and communications and outreach related to surface water management and programs. Transfers are made to fund capital projects as well as to the Administrative Services Fund to cover support services provided.

There is one (1) full-time Water Quality Specialist position budgeted within the Watershed Protection Fund. Organizationally, this position reports to the District Engineer. The Asset Resource Specialist is allocated at 0.1 FTE to the Watershed Protection Fund.

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

Fund 30 - Watershed Protection

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
30-00- Resources								
\$ 465,068	\$ 436,466	\$ 659,000	\$ 679,158	3500	Beginning Fund Balance	\$ 467,895		
1,554,434	1,550,780	1,566,000	1,566,000	4213	Watershed protection charges	1,592,000		
1,848	1	1,000	1,000	4215	Penalties and late charges	1,000		
24,684	-	-	-	4240	Service Installations	-		
25,244	48,320	25,000	25,000	4290	Other charges for services	25,000		
630	1,925	2,000	2,000	4610	Investment revenue	2,000		
1,647	-	1,000	-	4630	Miscellaneous revenues	-		
\$ 2,073,555	\$ 2,037,491	\$ 2,254,000	\$ 2,273,158	Total Resources		\$ 2,087,895	\$ -	\$ -

Division 23 - Watershed Protection Operations

30-23- Personnel Services - 1.10 FTE								
\$ 33,524	\$ 69,652	\$ 92,000	\$ 87,954	5110	Regular employees	\$ 96,000		
-	-	1,000	8	5130	Overtime	5,000		
3,588	20,270	30,000	29,970	5210	Health / Dental insurance	30,000		
2,554	5,179	8,000	6,493	5230	Social Security	8,000		
4,527	10,982	17,000	15,900	5240	Retirement	18,000		
263	546	1,000	688	5250	Trimet	1,000		
-	2,508	-	-	5260	Unemployment	-		
1,638	1,429	3,000	961	5270	Workers compensation	1,000		
-	-	1,000	-	5290	Other employee benefits	1,000		
\$ 46,095	\$ 110,566	\$ 153,000	\$ 141,974	Total Personnel Services		\$ 160,000	\$ -	\$ -

30-23- Materials and Services								
Professional and technical services								
\$ 23,241	\$ 45,218	\$ 134,000	\$ 102,670	6155	Contracted Services	\$ 142,000		
Utilities								
73	-	-	-	6230	Telephone	-		
Repairs and maintenance								
-	(67)	-	-	6310	Janitorial services	-		
-	-	150,000	1,000	6340	System maintenance	25,000		
Travel and Training								
-	-	3,000	500	6420	Staff training	6,000		
Supplies								
105	-	-	-	6510	Office supplies	-		
-	1,115	6,000	3,000	6530	Small tools and equipment	6,000		
569	-	1,000	500	6540	Safety Supplies	1,000		
-	-	-	-	6550	Operational Supplies	500		
1,082	-	-	-	6560	Uniforms	-		
-	-	-	-	6730	Communications	58,000		
-	3,943	4,100	4,061	6780	Taxes, Fees, Permits	4,300		
-	-	1,000	1,000	6900	Miscellaneous expense	1,000		
\$ 25,070	\$ 50,209	\$ 299,100	\$ 112,731	Total Materials and Services		\$ 243,800	\$ -	\$ -

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

Fund 30 - Watershed Protection

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
30-24- Debt Service								
Principal payments								
\$ 52,308	\$ 54,233	\$ 57,000	\$ 56,229	6814	2018 KS Statebank - Due 09/22/2020	\$ 115,741		
Interest payments								
10,249	8,324	7,000	6,328	6824	2018 KS Statebank - Due 09/22/2020	4,259		
<u>\$ 62,558</u>	<u>\$ 62,558</u>	<u>\$ 64,000</u>	<u>\$ 62,558</u>	Total Debt Service		<u>\$ 120,000</u>	<u>\$ -</u>	<u>\$ -</u>
Non-divisional								
30-29- Transfers Out								
\$ 1,029,000	\$ 635,000	\$ 1,008,000	\$ 1,008,000	8105	Transfer Out to Fund 05	\$ 1,008,000		
430,000	500,000	480,000	480,000	8173	Transfer Out to Fund 73	250,000		
<u>\$ 1,459,000</u>	<u>\$ 1,135,000</u>	<u>\$ 1,488,000</u>	<u>\$ 1,488,000</u>	Total Transfers		<u>\$ 1,258,000</u>	<u>\$ -</u>	<u>\$ -</u>
30-29- Contingency								
\$ -	\$ -	\$ 249,900	\$ -	9000	Contingency	\$ 306,095	\$ -	\$ -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 249,900</u>	<u>\$ -</u>	Total Contingency		<u>\$ 306,095</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 1,592,723</u>	<u>\$ 1,358,333</u>	<u>\$ 2,254,000</u>	<u>\$ 1,805,263</u>	Total Appropriations		<u>\$ 2,087,895</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 480,832	\$ 679,158	\$ -	\$ 467,895	Unappropriated ending fund balance		\$ -	\$ -	\$ -
<u>\$ 2,073,555</u>	<u>\$ 2,037,491</u>	<u>\$ 2,254,000</u>	<u>\$ 2,273,158</u>	Total Requirements		<u>\$ 2,087,895</u>	<u>\$ -</u>	<u>\$ -</u>

**Wastewater General Obligation Debt Service Fund
Fund 40**

Purpose: To account for principal and interest payments related to the OLWS' debt associated with the wastewater treatment plant.

General Obligation Bonds

On May 13, 2010, OLWS issued \$24,000,000 in General Obligations (GO) Bonds. The bonds were on a twenty-year term to maturity with coupon rates ranging from 2% to 4%. On December 20, 2017 OLWS defeased \$14,310,000 of the callable portion which had a 4% coupon; and replaced them with a bank loan that has an interest rate of 2.5% to save approximately \$915K in total debt service through fiscal year 2030. The remaining portion of the original 4% bonds was retired in fiscal year 2019-20.

State of Oregon Infrastructure Finance Authority Loans

On August 31, 2010, the State of Oregon Infrastructure Finance Authority (IFA) loaned OLWS \$8,000,000 which originated from the State's issuance of Recovery Zone Economic Development Bonds. These are also known as United States Build America Bonds. The bonds will be repaid over a twenty-year term to maturity and the range of interest rates associated with the bond series is 2% to 2.84%. Of the amount borrowed 87% of the debt qualifies for a 45% interest subsidy from the United States Treasury. The net interest cost of the bond series to maturity is 2.71%.

On February 18, 2021, the State of Oregon Business Oregon refunded the bonds that funded the IFA loan. OLWS participated in the Bond Refunding, amending the loan agreement. Under the amended agreement, this debt is no longer secured by GO Bonds, now secured with a pledge of wastewater net revenue. All further debt service is transferred to Wastewater Revenue Bond Debt Service Fund.

The remaining fund balance at the end of fiscal year 2020-21 is transferred back to Wastewater Reclamation Fund, the original funding source.

Major Funding Source(s): Operating transfers from the Wastewater Reclamation Fund.

This fund budgets for scheduled principal and interest payments on the above-described debt.

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

Fund 40 Wastewater General Obligation Debt Service

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
40-00- Resources								
\$ 660,960	\$ 333,919	\$ 623,800	\$ 623,764	3500	Beginning Fund Balance	\$ -		
15,006	3,560	-	1,650	4610	Investment revenue	-		
117,300	112,385	-	-	4701	Interest Subsidy	-		
40-29- Transfers In								
1,350,500	812,000	-	-	4920	Transfer In from Fund 20	-		
\$ 2,143,766	\$ 1,261,864	\$ 623,800	\$ 625,414	Total Resources		\$ -	\$ -	\$ -
40-24- Debt Service								
Principal payments								
\$ 368,036	\$ 375,273	\$ -	\$ -	6811	2010 IFA Loan Principal	\$ -		
1,120,000	-	-	-	6812	2010 GO Bond Principal	-		
Interest payments								
44,800	-	-	-	6821	2010 GO Bond Interest	-		
277,011	262,827	-	-	6822	2010 IFA Loan Interest	-		
\$ 1,809,847	\$ 638,100	\$ -	\$ -	Total Debt Service		\$ -	\$ -	\$ -
40-29- Transfers Out								
\$ -	\$ -	\$ 623,800.00	\$ 625,413.52	8120	Transfer Out to Fund 20	\$ -		
\$ -	\$ -	\$ 623,800	\$ 625,414	Total Transfers		\$ -	\$ -	\$ -
\$ 1,809,847	\$ 638,100	\$ 623,800	\$ 625,414	Total Appropriations		\$ -	\$ -	\$ -
\$ 333,919	\$ 623,764	\$ -	\$ -	Reserve for future expenditures		\$ -	\$ -	\$ -
\$ 2,143,766	\$ 1,261,864	\$ 623,800	\$ 625,414	Total Requirements		\$ -	\$ -	\$ -

**Wastewater Revenue Bond Debt Service Fund
Fund 50**

Purpose: To account for principal and interest payments related to OLWS' non-property tax backed debt.

State of Oregon Department of Environmental Quality Clean Water State Revolving Fund Loan

In fiscal year 2011, OLWS received \$19,000,000 in loans from the State of Oregon Department of Environmental Quality Clean Water State Revolving Fund (SRF) Loan Program for Intended-Use Plans. Of the amount borrowed, \$12,573,566 or 66% of the funds comprised federal capitalization grant funds, whereas the remaining \$6,426,434 or 34% of the funds comprised state funds. The loans will be repaid over a twenty-year term to maturity and the range of interest rates associated with the loan series is 0% to 2.65% plus an annual administrative fee of 0.50% of the principal balance. The loans have a legal loan reserve requirement in which OLWS must place in reserve an amount equal to one-half the average annual debt service; as a result, OLWS has established a legal reserve amount of \$590,483. The program also has debt service coverage requirements in which OLWS must maintain wastewater rates in connection with the operation of the facility that are adequate to generate net operating revenues in each fiscal year sufficient to pay all revenue backed debt service requirements plus 5% of the loan's annual debt service expenditures.

JP Morgan Bank Loan

On December 20, 2017 OLWS borrowed \$15,173,000 from JP Morgan Bank in order to defease \$14,310,000 in General Obligation Bonds that were callable and had a 4% coupon rate. The loan will be repaid over a thirteen-year term to maturity and the interest rate is 2.50%. The advance refunding will save OLWS approximately \$915K in total debt service through fiscal year 2030. The loan has a debt service coverage requirement in which OLWS must charge rates and fees adequate to generate revenues that are at least equal to 20% of parity bond debt service and 100% of combined parity and subordinate obligation debt service.

State of Oregon Infrastructure Finance Authority Loans

On August 31, 2010, the State of Oregon Infrastructure Finance Authority (IFA) loaned OLWS \$8,000,000 which originated from the State's issuance of Recovery Zone Economic Development Bonds. These are also known as United States Build America Bonds. On February 18, 2021, the State of Oregon Business Oregon refunded the bonds that funded the IFA loan. OLWS participated in the Bond Refunding, amending the loan agreement for the balance of \$3,684,197.37 remaining. Under the amended agreement, this debt is no longer secured by General Obligation Bonds, now secured with a pledge of wastewater net revenue. Debt service will continue for the remaining ten-years of the original loan period, retaining the original maturity of December 1, 2030, with an all-in true interest cost of 1.323%. All further debt service will be out of this fund.

Major Funding Source(s): Operating transfers from the Wastewater Reclamation Fund.

**OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23**

Fund 50 - WW Revenue Bond Debt Service

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23		
50-00- Resources										
\$ 1,374,167	\$ 678,563	\$ 587,000	\$ 591,471	3500	Beginning Fund Balance	\$ 592,666				
16,738	5,372	6,000	1,000	4610	Investment revenue	1,000				
50-29- Transfers In										
1,100,000	2,871,000	3,412,000	3,412,000	4920	Transfer In from Fund 20	3,435,000				
Total Resources						\$ 4,028,666	\$ -	\$ -		
50-24- Debt Service										
Principal payments										
\$ 444,576	\$ 453,101	\$ 461,854	\$ 461,854	6810	2010 SRF Loan - Due 08/01/2021	\$ 470,839				
448,811	457,449	466,317	466,317	6810	2010 SRF Loan - Due 02/01/2022	475,422				
-	-	307,409	307,409	6811	2021 IFA Loan - Due 12/01/2021	310,030				
190,000	1,356,000	1,385,000	1,385,000	6813	2017 JPM Bank Loan - Due 05/01/2022	1,420,000				
Interest payments										
142,422	133,897	125,144	125,144	6820	2010 SRF Loan - Due 08/01/2021	116,159				
207,208	194,061	180,596	180,596	6820	2010 SRF Loan - Due 02/01/2022	166,805				
-	-	144,809	144,809	6822	2021 IFA Loan - Due 12/01/2021	168,839				
189,663	184,478	170,338	170,338	6823	2017 JPM Bank Loan - Due 11/01/2021	153,025				
189,663	184,478	170,338	170,338	6823	2017 JPM Bank Loan - Due 05/01/2022	153,025				
Total Debt Service						\$ 3,434,144	\$ -	\$ -		
Total Appropriations						\$ 3,434,144	\$ -	\$ -		
\$ 678,563	\$ 591,471	\$ 593,195	\$ 592,666	Reserve for future expenditures				\$ 594,522	\$ -	\$ -
Total Requirements						\$ 4,028,666	\$ -	\$ -		

**Drinking Water Capital Fund
Fund 71**

Purpose: To account for debt proceeds, capital expenditures, contingencies and reserves associated with OLWS’ capital improvement planning as relates to drinking water.

OLWS’ water distribution system is primarily comprised of 6”and 8” cast and ductile iron pipe. OLWS has concentrated on eliminating sections of 2’ pipe and looping dead-ends wherever practical.

OLWS has more than sufficient water storage to supply the system; water storage includes two 5 million-gallon reservoirs at the Valley View site and two 2.8 million-gallon reservoirs at the View Acres site. The Valley View Reservoirs are also used as the storage source to serve the Sunrise Water Authority.

During FY 2020-21 OLWS adopted a Water System Master Plan which has been used to establish rates charged for water base and consumption charges and system development charges (SDC). OLWS now has an up-to-date hydraulic model to help staff identify and focus efforts within the capital improvement program (CIP).

Oak Lodge Water Services owns the North Clackamas County Water Commission treatment plant in partnership with Sunrise Water Authority and the City of Gladstone which provides the daily water needs for OLWS.

Major Funding Source(s): Operating transfers from the Drinking Water Fund.

Refer to the Capital Improvement Plan for detailed information on planned capital projects.

Fund 71 - Drinking Water Capital Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
71-00- Resources								
\$ 3,236,048	\$ 4,229,832	\$ 4,135,000	\$ 4,413,047	3500	Beginning Fund Balance	\$ 3,911,900		
-	-	100,000	-	4221	System Devel. - Reimbursement	-		
-	-	100,000	-	4225	System Devel. - Improvement	-		
94,115	34,264	40,000	40,000	4610	Investment revenue	-		
71-29- Transfers In								
1,675,000	500,000	500,000	500,000	4910	Transfer In from Fund 10	800,000		
\$ 5,005,163	\$ 4,764,096	\$ 4,875,000	\$ 4,953,047	Total Resources		\$ 4,711,900	\$ -	\$ -

Fund 71 - Drinking Water Capital Fund

71-20- Capital Outlay								
\$ 259,067	\$ 10,463	\$ 1,555,000	\$ 110,000	7200	Infrastructure	\$ 470,000		
6,958	-	-	46,186	7300	Buildings and improvements	-		
-	-	-	25,000	7520	Equipment	64,000		
682	92,907	25,000	25,000	7530	Information Technology	30,000		
-	6,900	35,000	37,352	7540	Vehicles	40,000		
508,625	240,779	370,000	797,587	7600	Capital improvement projects	2,275,000		
\$ 775,331	\$ 351,049	\$ 1,985,000	\$ 1,041,125	Total Capital Outlay		\$ 2,879,000	\$ -	\$ -
71-29- Transfers and Contingency								
\$ -	\$ -	\$ 2,890,000	\$ -	9000	Contingency	\$ 288,000		
\$ -	\$ -	\$ 2,890,000	\$ -	Total Transfers and Contingency		\$ 288,000	\$ -	\$ -
\$ 775,331	\$ 351,049	\$ 4,875,000	\$ 1,041,125	Total Appropriations		\$ 3,167,000	\$ -	\$ -
\$ 4,229,832	\$ 4,413,047	\$ -	\$ 3,911,922	Reserve for future expenditures		\$ 1,544,900	\$ -	\$ -
\$ 5,005,163	\$ 4,764,096	\$ 4,875,000	\$ 4,953,047	Total Requirements		\$ 4,711,900	\$ -	\$ -

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

**Wastewater Reclamation Capital Fund
Fund 72**

Purpose: To account for debt proceeds, capital expenditures, contingencies and reserves associated with OLWS’ capital improvement planning as relates to wastewater reclamation.

OLWS charges customers a monthly fee for sanitary sewer service that covers both base and consumption-related costs. Amounts are transferred to the Wastewater Capital Fund based on identified capital needs per the CIP and any current master planning.

This budget as proposed allows OLWS to wrap up treatment plant modifications to create redundancies and improve our solids process efficiency. A sanitary sewer master plan has also been proposed to help staff identify where to invest the next 30 years of capital expenses.

Major Funding Source(s): Operating transfers from the Wastewater Reclamation Fund. For more detailed information about each proposed project, please refer to the Capital Improvement Plan for detailed information on planned capital projects.

Fund 72 - Wastewater Reclamation Capital Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
72-00- Resources								
\$ 4,220,098	\$ 5,252,624	\$ 4,535,000	\$ 4,916,000	3500	Beginning Fund Balance	\$ 4,006,108		
97,904	41,565	50,000	30,000	4610	Investment revenue	30,000		
346,768	-	-	-	4630	Miscellaneous revenues	-		
1,300,000	1,000,000	1,000,000	1,000,000	72-29- Transfers In		2,500,000		
				4920	Transfer In from Fund 20			
\$ 5,964,770	\$ 6,294,189	\$ 5,585,000	\$ 5,946,000	Total Resources		\$ 6,536,108	\$ -	\$ -

Fund 72 - Wastewater Reclamation Capital Fund

72-21- Capital Outlay - Treatment								
\$ 3,449	\$ 26,932	\$ -	\$ -	7300	Buildings and improvements	\$ -		
-	-	-	-	7400	Improvements other than buildings	75,000		
50,551	95,465	191,000	201,181	7520	Equipment	410,000		
-	40,753	-	20,348	7530	Information Technology	115,000		
-	19,707	-	-	7540	Vehicles	-		
654,512	1,111,890	660,000	469,964	7600	Capital improvement projects	1,169,000		
72-22- Capital Outlay - Collections								
-	-	-	-	7200	Infrastructure	100,000		
2,972	-	-	-	7300	Buildings and improvements	-		
-	11,876	-	10,399	7520	Equipment	40,000		
662	20,221	-	-	7530	Information Technology	154,340		
-	-	35,000	35,000	7540	Vehicles	40,000		
-	51,274	1,624,000	1,203,000	7600	Capital improvement projects	2,715,000		
\$ 712,146	\$ 1,378,117	\$ 2,510,000	\$ 1,939,892	Total Capital Outlay		\$ 4,818,340	\$ -	\$ -
72-29- Transfers and Contingency								
\$ -	\$ -	\$ 3,075,000	\$ -	9000	Contingency	\$ 481,834	\$ -	\$ -
\$ -	\$ -	\$ 3,075,000	\$ -	Total Transfers and Contingency		\$ 481,834	\$ -	\$ -
\$ 712,146	\$ 1,378,117	\$ 5,585,000	\$ 1,939,892	Total Appropriations		\$ 5,300,174	\$ -	\$ -
\$ 5,252,624	\$ 4,916,072	\$ -	\$ 4,006,108	Reserve for future expenditures		\$ 1,235,934	\$ -	\$ -
\$ 5,964,770	\$ 6,294,189	\$ 5,585,000	\$ 5,946,000	Total Requirements		\$ 6,536,108	\$ -	\$ -

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

**Watershed Protection Capital Fund
Fund 73**

Purpose: To account for debt proceeds, capital expenditures, contingencies and reserves associated with OLWS capital improvement planning as relates to watershed protection.

OLWS is responsible for water quality improvement projects within the communities of Oak Grove and Jennings Lodge. Although not formal cities, this portion of unincorporated Clackamas County is heavily urbanized with residential, commercial, and industrial development. Less than 5 years ago, an analysis of OLWS revealed that the total impervious area for OLWS is 80% -- that's about 2800 acres of surface that does not infiltrate water, all of which contributes to increased water velocity and scour in local streams, and the majority of which contributes pollutants into the surface water system, including streams and rivers.

Major Funding Source(s): Operating transfers from the Watershed Protection Fund. For more detailed information about each proposed project, please refer to the Capital Improvement Plan for detailed information on planned capital projects.

Fund 73 - Watershed Protection Capital Fund

ACTUAL 19-20	ACTUAL 20-21	BUDGET 21-22	ESTIMATE 21-22	Object Code	Item	PROPOSED 22-23	APPROVED 22-23	ADOPTED 22-23
73-00- Resources								
\$ 1,816,320	\$ 1,177,315	\$ 1,687,000	\$ 1,683,264	3500	Beginning Fund Balance	\$ 2,173,058		
36,387	11,248	15,000	9,794	4610	Investment revenue	10,000		
430,000	-	480,000	480,000	4930	Transfer In from Fund 30	250,000		
\$ 2,282,707	\$ 1,188,563	\$ 2,182,000	\$ 2,173,058	Total Resources		\$ 2,433,058	\$ -	\$ -
73-23- Capital Outlay								
\$ 4,631	\$ -	\$ -	\$ -	7300	Buildings and improvements	\$ -		
662	-	-	-	7530	Information Technology	-		
24,270	3,430	-	-	7540	Vehicles	-		
1,075,830	1,870	300,000	-	7600	Capital improvement projects	300,000		
\$ 1,105,392	\$ 5,299	\$ 300,000	\$ -	Total Capital Outlay		\$ 300,000	\$ -	\$ -
73-29- Transfers and Contingency								
\$ -	\$ -	\$ 1,882,000	\$ -	9000	Contingency	\$ 50,000		
\$ -	\$ -	\$ 1,882,000	\$ -	Total Transfer and Contingency		\$ 50,000	\$ -	\$ -
\$ 1,105,392	\$ 5,299	\$ 2,182,000	\$ -	Total Appropriations		\$ 350,000	\$ -	\$ -
\$ 1,177,315	\$ 1,183,264	\$ -	\$ 2,173,058	Reserve for future expenditures		\$ 2,083,058	\$ -	\$ -
\$ 2,282,707	\$ 1,188,563	\$ 2,182,000	\$ 2,173,058	Total Requirements		\$ 2,433,058	\$ -	\$ -

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
6110	Legal Services Charges for services provided by outside counsel; including bond, legal and personnel.	\$ 375,000
6120	Accounting and Audit Services Costs associated with required annual financial audit services.	\$ 76,000
6155	Contracted Services Charges for services contracted for administrative services, operations and management. Engineering services Administrative services Laboratory services Other professional and technical services Printing and mailing services Lien Services Online billing services	\$ 922,250
6175	Records Management Cost of archiving of District records and records management facilitation, document storage, retrieval, and destruction.	\$ 8,500
6180	Dues and subscriptions Cost of memberships and publications, which leverage OLWS' limited resources in a manner that promotes cost-effectiveness, promotes ongoing employee education and training, and provides supporting services to Association of Clean Water Agencies (ACWA) American Public Works Association (APWA) American Water Works Association (AWWA) American Water Works Association (AWWA) Northwest Sub-Section Clackamas Review Engaging Local Government Leaders Government Finance Officers Association Local Government Personnel Institute National Association of Clean Water Agencies (NACWA) National Association of State Agencies for Surplus Property North Clackamas County Chamber of Commerce Oregon Association of Municipal Recorders Oregon Association of Water Utilities Oregon City/County Manager's Association (OCCMA) Oregon Ethics Commission Oregon Government Finance Officers Association Oregon Water Utilities Council Other Subscriptions and Dues Portland Human Resources Management Association (PHRMA) Regional Water Providers Consortium Rotary Club of Milwaukie Society for Human Resources Management (SHRM) Special Districts Association of Oregon (SDAO) Tri-County Water Association Urban & Regional Information Systems Water Environment Federation	\$ 60,000
6220	Electricity Electric utility costs associated with production, operations and facilities.	\$ 408,000
6230	Telephone Record cost associated with voice equipment and telecommunication services whether wired or wireless.	\$ 63,000
6240	Natural Gas Natural gas utility costs associated with production, operations, and facilities.	\$ 9,500

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
6250	Solid Waste Disposal Costs associated with the disposal of headworks screenings, biosolids dumping, and other solid waste disposal activities.	\$ 52,000
6290	Other Utilities Cost of utilities, other than electricity or natural gas, associated with production, operations and facilities.	\$ 15,600
6310	Janitorial services Cost for janitorial services at buildings and structures.	\$ 26,000
6320	Buildings and grounds Cost of maintaining buildings and grounds, including landscaping services, wiring, plumbing, carpentry, painting, etc.	\$ 104,000
6330	Vehicle and equipment maintenance Cost of maintaining vehicles and equipment including, repairs, tires, oil and other cost to maintain in good working order.	\$ 75,000
6340	System maintenance Cost of repair and maintenance services to infrastructure of the drinking water distribution system and watershed protection system.	\$ 225,000
6342	System maintenance Cost of repair and maintenance services to infrastructure of the wastewater reclamation collection and treatment systems.	\$ 245,000
6350	Computer maintenance Cost associated with computer technology including hardware, software, licensing, associated peripherals and accessories. Includes outsources computer technology support.	\$ 313,103
6390	Other Repairs and maintenance Cost associated with repair and maintenance other than list in accounts 6310-6350.	\$ -
6410	Mileage Reimbursement for the cost of private mileage incurred by an employee when traveling for business purposes.	\$ 5,500
6420	Staff training Costs associated with employee continuing education and training to maintain certification requirements. Includes related travel expenditure. Membership costs are accounted for in 6180 Dues and Subscriptions.	\$ 93,000
	Water Environment Federation / National Association of Clean Water Agencies (NACWA) Conference	
	National Association of Clean Water Agencies (NACWA) Conference	
	Software Conference	
	Special Districts Association of Conference	
	American Water Works Association (AWWA) Pacific Northwest Conference	
	American Water Works Association (AWWA) Annual Conference	
	Pipe Standards	
	Government Finance Officers Association (GFOA) Annual Conference	
	Oregon Government Finance Officers Institute	
	Oregon Government Finance Officers Spring Conference	
	Distribution Symposium	
	Confined Spaces Classes	
	Oregon Association of Water Utilities (OAWU) Conference	
	Pacific Northwest Clean Water Agencies (PNCWA) Conference	
	Lucy Conference	
	Storm Water Management Conference	
	Team Building	
	Employee Tuition Reimbursement	
	Other Required Trainings	

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
	Backflow Short School OHD Certification Test Fees Other Fees	
6440	Board expense Cost associated with board meetings, board members attendance for the education, related travel expenditures and training.	\$ 9,000
	Special Districts Association Conference American Water Works Association (AWWA) Annual Conference Meeting Meals and Supplies Miscellaneous Mileage	
6510	Office supplies Cost of office materials, supplies, and services related to administration and operations.	\$ 34,200
6520	Fuels and oils Cost of fuel and oil for vehicles and equipment.	\$ 51,000
6525	Chemicals Cost of chemicals required in program operations.	\$ 65,000
6530	Small tools and equipment Cost of small tools and equipment with a replacement value of less that \$5,000 per item necessary for the performance of work.	\$ 40,000
6540	Safety supplies Cost associated with for safety supplies and services, including required protective footwear.	\$ 52,000
	Safety Mats Metro First Aid & Safety Cintas Staff Safety Protection: \$300/Field & OPS Staff (Footwear) Other Safety Supplies	
6550	Operational supplies Cost of supplied necessary for the operations of OLWS.	\$ 29,500
6560	Uniforms Cost of uniforms provided to employees, except footwear which is categorized as safety.	\$ 38,000
6590	Other supplies Cost of other miscellaneous supplies not included in other categories.	\$ 5,000
6610	Board compensation Cost of compensation of the board.	\$ 2,500
6620	Elections Costs The Purpose of the Board Election Costs is to provide funding for the cost related to the public elections of its officers.	\$ 5,000
6710	Purchased water Cost of water purchased that is resold to customers.	\$ 1,170,000
6715	Water Quality Program Cost of supplies and services necessary to test drinking water that is resold to customers.	\$ 16,000
6720	Insurance Cost of property, casualty, liability, earthquake, flood, and auto insurance coverage for District equipment and facilities.	\$ 300,000

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

LINE ITEM DESCRIPTIONS

MATERIALS & SERVICES EXPENDITURES

Acnt #	Description	Budget
6730	Communications Cost associated with public information, education, and involvement activities. Public Notices: Board Meetings, Budget Committee Meetings, Other Meetings Informational Brochures School Education Programs Watershed Protection Public Involvement Clean Water Coalition Regional Ad Campaign SOLV Environmental Outreach Miscellaneous Meeting Expenses	\$ 98,100
6740	Advertising Cost of advertisements, as required for meetings, procurement, budgets, and recruiting.	\$ 6,500
6750	Other purchased services Cost of outsourced services not included in other line items.	\$ -
6760	Equipment rental Cost of rental or lease of equipment for office and operations.	\$ 7,000
6770	Bank charges Cost of banking fees charged for payments received and banking services rendered.	\$ 160,000
6780	Taxes, Fees, Permits Cost of property taxes regulatory compliance fees, annual required permits, right-of-way fees. Clackamas County Tax Collector: Property Tax Clackamas County - Ordinance Filing Fees Public Employee Retirement System (PERS): Administrative Fee State of Oregon DAS Ethics Commission Assessment Fee State of Oregon Secretary of State Filing Fee State of Oregon DEQ Wastewater System Operator Annual Support Fee State of Oregon DEQ National Pollutant Discharge Elimination System (NPDES) Permit Fee State of Oregon DEQ Air Contaminant Discharge Permit Fee State of Oregon DEQ Cleaner Air Oregon Fee State of Oregon DEQ Hazardous Materials Report Fee State of Oregon DEQ Municipal Separate Storm Sewer System (MS4) Permit State of Oregon OHA Cross Connection Annual Fee City of Gladstone's 5% Right-of-Way Franchise Fee City of Milwaukie (sewer processing fee) Union Pacific Right-of-Way Tax Other Taxes, Fees, Permits	\$ 124,300
6785	ECAP Payment Cost of financial assistance on a temporary basis for District customers financially impacted by the COVID-19 State of Emergency.	\$ -
6900	Miscellaneous expense Cost of other miscellaneous expenses.	\$ 7,000
	Materials and Services Expenditures Total	<u>\$ 5,304,553</u>

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

LINE ITEM DESCRIPTIONS

CAPITAL OUTLAY EXPENDITURES

Acnt#	Description	Budget
7100	Land The purpose of the Land line item is to account for land and easement acquisitions.	\$ -
7200	Infrastructure The purpose of the Infrastructure line item is to account for the acquisition, improvement, replacement, and capacity expansion of infrastructure.	\$ 570,000
7300	Buildings and improvements The purpose of the Buildings and Improvements line item is to account for acquisition, improvement, replacement, and capacity expansions of buildings and structures.	\$ -
7400	Improvements other than buildings The purpose of the Improvements Other than Buildings line item is to account for improvements other than to buildings.	\$ 75,000
7510	Furniture and fixtures The purpose of the Furniture and Fixtures line item is to account for the acquisition of furniture and fixtures.	\$ -
7520	Equipment The purpose of the Equipment line item is to account for the acquisition of equipment.	\$ 514,000
7530	Software The purpose of the Software line item is to account for the acquisition of software.	\$ 299,340
7540	Vehicles The purpose of the Vehicles line item is to account for the acquisition of vehicles.	\$ 80,000
7600	Capital improvements The purpose of the Capital Improvements line item is to account for improvements identified in the capital improvement plan(s).	\$ 6,459,000
	Capital Outlay Total	<u>\$ 7,997,340</u>

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

LINE ITEM DESCRIPTIONS

DEBT SERVICE EXPENDITURES

Acnt#	Description	Budget
6810	Principal Payments - 2010 SRF Loan Principal Account for principal payments related to a State of Oregon Department of Environmental Quality (DEQ) Clean Water State Revolving Fund (CWSRF) Loan.	\$ 946,261
6811	Principal Payments - 2021 IFA Loan Principal Account for principal payments related to a State of Oregon Infrastructure Finance Authority (IFA) Loan.	\$ 310,030
6813	Principal Payments - 2017 JPM Bank Loan Principal Account for principal payments related to a JP Morgan Bank Loan.	\$ 1,420,000
6814	Principal Payments - 2018 KS Statebank Principal Account for principal payments related to a KS Statebank Bank Loan.	\$ 115,741
6815	Principal Payments - 2019 Zions Bank Loan Principal Account for principal payments related to a Zions Bank Loan.	\$ 188,000
6820	Interest Payments - 2010 SRF Loan Interest Account for interest payments related to a State of Oregon Department of Environmental Quality (DEQ) Clean Water State Revolving Fund (CWSRF) Loan.	\$ 282,964
6822	Interest Payments - 2021 IFA Loan Interest Account for interest payments related to a State of Oregon Infrastructure Finance Authority (IFA) Loan.	\$ 168,839
6823	Interest Payments - 2017 JPM Bank Loan Interest Account for interest payments related to a JP Morgan Bank Loan.	\$ 306,050
6824	Interest Payments - 2018 KS Statebank Interest Account for interest payments related to a KS Statebank Bank Loan.	\$ 4,259
6825	Interest Payments - 2019 Zions Bank Loan Interest Account for interest payments related to a Zions Bank Loan.	\$ 21,063
Debt Service Expenditures Total		<u>\$ 3,763,207</u>

OAK LODGE WATER SERVICES DISTRICT
PROPOSED BUDGET – FY 2022-23

LINE ITEM DESCRIPTIONS

TRANSFERS OUT

Acnt# Description	Budget
8105 Transfer to Fund 05 Transfer of resources to the Administrative Services Fund.	\$ 3,936,000
8120 Transfer to Fund 20 Transfer of resources to the Wastewater Reclamation Operating Fund.	\$ -
8150 Transfer to Fund 50 Transfer of resources to the Wastewater Reclamation Revenue Bond Debt Service Fund.	\$ 3,435,000
8171 Transfer to Fund 71 Transfer of resources to the Drinking Water Capital Fund.	\$ 800,000
8172 Transfer to Fund 72 Transfer of resources to the Wastewater Reclamation Capital Fund.	\$ 2,500,000
8173 Transfer to Fund 73 Transfer of resources to the Wastewater Protection Capital Fund.	\$ 250,000
Transfers Out Total	<u>\$ 10,921,000</u>

LINE ITEM DESCRIPTIONS

CONTINGENCIES

Acct # Description	Budget
9000 Contingency Provide a contingency in the event actual expenditures exceed budgeted appropriations or actual revenues are less than anticipated.	\$ 3,422,261
Contingencies Total	<u>\$ 3,422,261</u>



AGENDA ITEM

Title	Committee Deliberation
Item No.	9
Date	April __, 2022

Summary

The Budget Committee will deliberate on the Proposed Budget. The Chair will ask each Committee Member for questions and comments.



AGENDA ITEM

Title	Call for Public Comment
Item No.	10
Date	April __, 2022

Summary

The Budget Committee welcomes comment from members of the public.

Written comments may not be read out loud or addressed during the meeting, but all public comments will be entered into the record.

The Budget Committee may elect to limit the total time available for public comment or for any single speaker depending on meeting length.



AGENDA ITEM

To	Budget Committee
Title	Approval of FY 2022-23 Budget
Item No.	11
Date	April __, 2022

Summary

The budgeting process has four parts. The budget is (1) prepared, (2) approved, (3) adopted, and (4) executed. The Budget Committee is responsible for reviewing the prepared budget and approving it.

Recommendation

Staff requests that the Budget Committee approve the Proposed Budget.

Suggested Budget Committee Motion

"I move to approve the FY 2022-23 Proposed Budget."