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TREATMENT PLANT
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**Regular Board Meeting (with Workshop) and Public Hearing
North Clackamas County Water Commission
Board of Directors**

Thursday, June 24, 2021

Virtual Meeting Online

<https://us02web.zoom.us/j/84066186598>

Meeting ID: 840 6618 6598

Toll Free Call-In: 1-888-788-0099

5:30 PM Regular Meeting of the Board of Directors

1. Convene Regular Meeting

2. Approve Agenda

3. Public Comment

3.1 Public Comment

4. Approval of Minutes

4.1 Approve Minutes from March 25, 2021 Budget Committee and Regular Meeting
(with Workshop)

5. Adoption of Consent Calendar

5.1 Authorization of Checks for March, April and May 2021

6. Board Discussion

6.1 Direct FY2019-20 True-Up

(Suspend Regular Meeting)

Approx. 6:00 PM Convene Public Hearing on Approved Budget

- Invite Public Comment on Budget (Approved March 25)
- Directors Comments and Discussion
- Close Public Hearing

(Reconvene Regular Meeting)

6. Board Discussion (cont'd)

6.2 Adopt FY2021-22 Budget

6.3 Establish FY2021-22 Wholesale Water Rate

7. Monthly Items

- 7.1 Financial Reports
- 7.2 Operations Report
- 7.3 Manager's Report
- 7.4 Business from the Board

8. Adjourn Regular Meeting

9. Convene Workshop:

- 9.1 Discuss Updated CRW Water Supply Agreement

NORTH CLACKAMAS COUNTY WATER COMMISSION

JUNE 24, 2021

Agenda Item 4.1

Minutes of March 25, 2021 Board of Commissioners Meeting and Workshop

BOARD MEMBERS PRESENT:

Paul Gornick	Oak Lodge Water Services
Kevin Williams	Oak Lodge Water Services
Matt Tracy	City of Gladstone
Chris Hawes	Sunrise Water Authority
Kevin Bailey	Sunrise Water Authority

STAFF PRESENT:

Wade Hathhorn	NCCWC
Gail Stevens	Oak Lodge Water Services
Tim Jannsen	NCCWC
Laural Casey	Oak Lodge Water Services

ATTENDEES:

Sarah Jo Chaplen	Oak Lodge Water Services
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1. Convene Regular Meeting

Chair Williams called the Board of Commissioners meeting to order at 6:23 p.m.

2. Approve Agenda

Chair Williams called for a motion. Commissioner Gornick moved to approve the agenda. Commissioner Hawes seconded. Commissioner Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

3. Public Comment

Chair Williams asked Recorder Casey if there were any members of the public in attendance. There were none.

4. Approval of Minutes

4.1 Approval of Minutes of the January 28, 2021 Regular Meeting

Commissioner Gornick moved to approve the January 28, 2021 minutes. Commissioners Tracy and Bailey seconded. Chair Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

NORTH CLACKAMAS COUNTY WATER COMMISSION

JUNE 24, 2021

5. Adoption of Consent Calendar

5.1 Authorization of Checks for January and February 2021

Finance Director Stevens outlined the checks to be authorized.

Chair Williams called for a motion. Commissioner Hawes moved to approve the consent calendar as presented. Commissioner Gornick seconded. Chair Williams asked Recorder Casey to conduct a roll call vote. Voting Aye: Commissioners Tracy, Hawes, Bailey, Williams, and Gornick.

MOTION CARRIED

6. Board Discussion

There were no items for discussion.

7. Monthly Items

7.1 Financial Reports

Finance Director Stevens overviewed the Financial Report.

Chair Williams acknowledged Board receipt of the monthly financial reports.

7.2 Operations Report

General Manager Hathhorn overviewed the Operations Report highlighting the phenomenal work of Plant staff during the recent ice storm.

7.3 Manager's Report

General Manager Hathhorn overviewed the Manager's Report highlighting work on replacement of the raw water pipeline cathodic protection system. He detailed the emergency events of the ice storm and the Commission's commitment to building relationships with regional water providers. General Manager Hathhorn provided a contrast of the inefficiencies of a water plant in Florida that left them vulnerable to a cyberattack versus the protections in place in the Commission's systems.

7.4 Business from the Board

Commissioner Tracy notified the Board that Jim Whynot had retired from the City of Gladstone and the interim manager, Darren Caniparoli, will be joining future meetings.

8. Adjourn Regular Meeting

Chair Williams adjourned the regular meeting at 6:43 p.m.

9. Convene Workshop

NORTH CLACKAMAS COUNTY WATER COMMISSION

JUNE 24, 2021

Chair Williams called the Board of Commissioners workshop to order at 6:43 p.m.

9.1 Discuss Updated CRW Water Supply Agreement

General Manager Hathhorn outlined the history of the water supply agreement with Clackamas River Water District (CRW). He highlighted the change from a typical supplier/customer agreement to a partnership between the Commission and CRW.

There was Board discussion about the general adequacy of the agreement and about the importance of partnerships.

Sarah Jo Chaplen asked for the proposed timeline for negotiation and adoption of the new agreement. General Manager Hathhorn stated the current agreement expires at the end of 2021 and the Board could expect to see a final draft at the June meeting, with approval and execution later in the year.

Chair Williams adjourned the workshop at 7:04 p.m.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 24, 2021

Agenda Item 5.1

Subject: Authorization of Checks for March, April, and May 2021

Presenter(s): Gail Stevens, Finance Director

Board Action: The Board is requested to formally authorize the check run.

Attachments: Bank Transaction Report and Bank Reconciliation

Background: The Board is responsible for reviewing and approving monthly check runs.

Analysis: In the three-month period March-May 2021, there were 32 valid checks issued numbered 30074 through 30153 totaling \$334,363.49 and 34 electronic withdrawals totaling \$103,991.93 – bringing the total period payments to \$438,355.42. There were no voided checks issued from previous periods.

Options: None

Staff Recommendation: Approve check run as presented for March, April, and May 2021.

Draft Motion: Move to approve all checks and electronic withdrawals for the period March, April, and May 2021 totaling \$438,355.42, noting there were no voided checks from previous periods.

Bank Reconciliation
 Checks by Date
 User: Gail
 Printed: 06/17/2021 - 5:14PM
 Cleared and Not Cleared Checks
 Print Void Checks

<u>Number</u>	<u>Issue Date</u>	<u>Vendor</u>	<u>Comment</u>	<u>Module</u>	<u>Void</u>	<u>Clear Date</u>	<u>Amount</u>
ACH Disbursement Activity							
0	3/11/2021	Wells Fargo Banks		AP		3/31/2021	213.19
0	3/12/2021	Internal Revenue Service-ACH		AP		3/31/2021	2,797.95
0	3/12/2021	OR Department of Revenue-ACH		AP		3/31/2021	843.27
0	3/12/2021	Oregon PERS		AP			2,159.34
0	3/12/2021	Payroll Direct Deposit	DD 00001.03.2021	PR		3/31/2021	7,709.00
0	3/26/2021	Internal Revenue Service-ACH		AP		3/31/2021	2,767.43
0	3/26/2021	OR Department of Revenue-ACH		AP		3/31/2021	832.86
0	3/26/2021	Oregon PERS		AP		4/30/2021	2,137.19
0	3/26/2021	Payroll Direct Deposit	DD 00002.03.2021	PR		3/31/2021	7,631.66
0	3/31/2021	Wells Fargo Banks		AP		4/30/2021	196.14
0	4/9/2021	Oregon PERS		AP		4/30/2021	1,878.81
0	4/9/2021	Internal Revenue Service-ACH		AP		4/30/2021	2,434.26
0	4/9/2021	OR Department of Revenue-ACH		AP		4/30/2021	731.04
0	4/9/2021	Payroll Direct Deposit	DD 00001.04.2021	PR		4/30/2021	6,691.73
0	4/23/2021	OR Department of Revenue-ACH		AP		4/30/2021	811.67
0	4/23/2021	Internal Revenue Service-ACH		AP		4/30/2021	2,731.62
0	4/23/2021	Oregon PERS		AP		5/31/2021	2,057.06
0	4/23/2021	Payroll Direct Deposit	DD 00002.04.2021	PR		4/30/2021	7,261.79
0	4/29/2021	Oregon PERS		AP			1,147.21
0	4/29/2021	Internal Revenue Service-ACH		AP		4/30/2021	1,603.71
0	4/29/2021	OR Department of Revenue-ACH		AP		5/31/2021	484.43
0	4/29/2021	Payroll Direct Deposit	DD 00003.04.2021	PR		4/30/2021	4,013.72
0	5/7/2021	Oregon PERS		AP			1,510.49
0	5/7/2021	Internal Revenue Service-ACH		AP		5/31/2021	2,038.59
0	5/7/2021	Wells Fargo Remittance Ctr MC		AP			4,237.25
0	5/7/2021	Wells Fargo Remittance Ctr MC		AP			13,897.67
0	5/7/2021	OR Department of Revenue-ACH		AP		5/31/2021	590.52
0	5/7/2021	Payroll Direct Deposit	DD 00001.05.2021	PR		5/31/2021	5,313.62
0	5/9/2021	Wells Fargo Remittance Ctr MC		AP		5/31/2021	6,560.63
0	5/11/2021	Wells Fargo Banks		AP		5/31/2021	194.99
0	5/21/2021	Oregon PERS		AP			1,678.11
0	5/21/2021	OR Department of Revenue-ACH		AP		5/31/2021	651.32
0	5/21/2021	Internal Revenue Service-ACH		AP		5/31/2021	2,327.04
0	5/21/2021	Payroll Direct Deposit	DD 00002.05.2021	PR		5/31/2021	5,856.62
ACH Disbursement Activity Subtotal							103,991.93
Voided ACH Activity							-
Adjusted ACH Disbursement Activity Subtotal							103,991.93

Paper Check Disbursement Activity							
30074	3/1/2021	Cable Huston LLP		AP		3/31/2021	137.50
30075	3/1/2021	Cascade Columbia Distribution		AP		3/31/2021	1,065.00
30076	3/1/2021	Cintas Corporation - 463		AP		3/31/2021	180.87
30077	3/1/2021	NW Natural		AP		3/31/2021	442.15
30078	3/1/2021	Platt Electric		AP		3/31/2021	16.91
30079	3/1/2021	Portland Engineering Inc.		AP		3/31/2021	2,000.55
30080	3/1/2021	Portland General Electric		AP		3/31/2021	19,263.94
30081	3/1/2021	Stein Oil Co.		AP		3/31/2021	49.81
30082	3/1/2021	Sunrise Water Authority		AP		3/31/2021	27,221.58
30083	3/1/2021	Taurus Power & Controls, Inc.		AP		3/31/2021	645.80
30084	3/1/2021	Verizon Wireless		AP		3/31/2021	208.24
30085	3/12/2021	Chemco Systems, L.P.		AP		3/31/2021	96.24
30086	3/12/2021	Portland General Electric		AP		3/31/2021	29,795.88
30087	3/12/2021	Ring Bender LLP		AP		3/31/2021	7,924.37
30088	3/12/2021	Stein Oil Co.		AP		3/31/2021	125.87
30089	3/18/2021	Cascade Columbia Distribution		AP		3/31/2021	655.00
30090	3/18/2021	Cintas Corporation - 463		AP		3/31/2021	73.51
30091	3/18/2021	Field Instruments & Controls, Inc.		AP		3/31/2021	8,387.78
30092	3/18/2021	Oregon City Garbage Co.		AP		3/31/2021	48.45
30093	3/18/2021	Platt Electric		AP		3/31/2021	29.60
30094	3/18/2021	Portland Engineering Inc.		AP		3/31/2021	50.00
30095	3/18/2021	Special Districts Insurance Sv		AP		3/31/2021	84,070.64
30096	3/18/2021	Superior Pool Covers		AP		3/31/2021	1,950.00
30097	3/18/2021	Team Electric Company		AP		3/31/2021	400.00
30098	3/18/2021	Waterhouse Environmental Services Corp.		AP		3/31/2021	10,494.00

Bank Reconciliation

Checks by Date

User: Gail

Printed: 06/17/2021 - 5:14PM

Cleared and Not Cleared Checks

Print Void Checks

<u>Number</u>	<u>Issue Date</u>	<u>Vendor</u>	<u>Comment</u>	<u>Module</u>	<u>Void</u>	<u>Clear Date</u>	<u>Amount</u>
30099	3/19/2021	Stein Oil Co.		AP		3/31/2021	44.54
30100	3/25/2021	AFLAC		AP		4/30/2021	636.46
30101	3/25/2021	Cascade Columbia Distribution		AP		3/31/2021	1,065.00
30102	3/25/2021	Cintas Corporation - 463		AP		4/30/2021	180.87
30103	3/25/2021	Hach Company		AP		3/31/2021	291.52
30104	3/25/2021	Hasa, Inc		AP		3/31/2021	2,624.51
30105	3/25/2021	Henderson Turf & Wear, Inc.		AP		3/31/2021	1,051.80
30106	3/25/2021	Stein Oil Co.		AP		3/31/2021	326.04
30107	3/25/2021	Team Electric Company		AP		3/31/2021	1,225.00
30108	3/25/2021	Verizon Wireless		AP		4/30/2021	442.54
30109	4/1/2021	Atlas Copco Compressors Inc		AP		4/30/2021	162.51
30110	4/1/2021	Portland General Electric		AP		4/30/2021	25,917.91
30111	4/1/2021	The Oregonian		AP		4/30/2021	543.80
30112	4/12/2021	Cable Huston LLP		AP		4/30/2021	100.00
30113	4/12/2021	Cintas Corporation - 463		AP		4/30/2021	73.51
30114	4/12/2021	Cintas Corporation No. 2		AP		4/30/2021	99.00
30115	4/12/2021	NW Natural		AP		4/30/2021	189.02
30116	4/12/2021	Oak Lodge Water Services District		AP		4/30/2021	8,061.20
30117	4/12/2021	Portland Engineering Inc.		AP		4/30/2021	50.00
30118	4/12/2021	Stein Oil Co.		AP		4/30/2021	67.40
30119	4/12/2021	UPS		AP		4/30/2021	16.81
30120	4/22/2021	AFLAC		AP		4/30/2021	636.46
30121	4/22/2021	Cintas Corporation No. 2		AP		4/30/2021	99.00
30122	4/22/2021	Ferguson Enterprises, Inc.		AP		4/30/2021	24.55
30123	4/22/2021	Hasa, Inc		AP		4/30/2021	5,108.41
30124	4/22/2021	Employee Business Expense Reimbursement		AP		4/30/2021	346.92
30125	4/22/2021	Paramount Supply Company		AP		4/30/2021	774.20
30126	4/22/2021	Team Electric Company		AP		4/30/2021	5,655.00
30127	4/22/2021	The Oregonian		AP		4/30/2021	543.80
30128	4/22/2021	Trotter & Morton - Portland		AP		4/30/2021	3,668.75
30129	4/22/2021	Verizon Wireless		AP		4/30/2021	204.81
30130	5/3/2021	Hasa, Inc		AP		5/31/2021	2,448.42
30131	5/3/2021	Special Districts Insurance Sv		AP		5/31/2021	4,149.36
30132	5/3/2021	Stein Oil Co.		AP		5/31/2021	116.78
30133	5/7/2021	Cascade Columbia Distribution		AP		5/31/2021	1,895.00
30134	5/7/2021	Cintas Corporation - 463		AP		5/31/2021	81.87
30135	5/7/2021	Cintas Corporation No. 2		AP		5/31/2021	329.12
30136	5/7/2021	Ferguson Enterprises, Inc.		AP		5/31/2021	360.42
30137	5/7/2021	Larry Potter Landscape Services		AP		5/31/2021	1,115.00
30138	5/7/2021	NW Natural		AP		5/31/2021	162.07
30139	5/7/2021	Oregon City Garbage Co.		AP		5/31/2021	48.45
30140	5/7/2021	Platinum Industrial, Inc		AP		5/31/2021	18,194.00
30141	5/7/2021	Portland General Electric		AP		5/31/2021	30,337.92
30142	5/7/2021	Sunrise Water Authority		AP		5/31/2021	9,633.68
30143	5/7/2021	Top Industrial Supply		AP		5/31/2021	172.33
30144	5/7/2021	WIN-911 Software		AP		5/31/2021	660.00
30146	5/24/2021	AFLAC		AP		5/31/2021	453.92
30147	5/24/2021	Hach Company		AP			939.57
30148	5/24/2021	Norlift of Oregon, Inc.		AP		5/31/2021	1,407.36
30149	5/24/2021	Portland Engineering Inc.		AP		5/31/2021	140.00
30150	5/24/2021	Special Districts Insurance Sv		AP			3,135.91
30151	5/24/2021	Stein Oil Co.		AP		5/31/2021	310.03
30152	5/24/2021	Team Electric Company		AP		5/31/2021	2,481.00
30153	5/24/2021	Verizon Wireless		AP			226.25
Paper Check Disbursement Activity Subtotal							334,363.49
Voided Paper Check Disbursement Activity							-
Adjusted Paper Check Disbursement Activity Subtotal							334,363.49

Total Void Check Count:	-
Total Void Check Amount:	-
Total Valid Check Count:	113.00
Total Valid Check Amount:	438,355.42
Total Check Count:	113.00
Total Check Amount:	438,355.42

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 24, 2020

Agenda Item 6.1

Subject: Adopt Resolution 2021-2 Waiving True-Up for FY2019-20

Presenter(s): Wade Hathhorn, General Manager

Board Action: The Board is requested to adopt Resolution 2021-2 waiving the true-up for FY2019-20.

Attachments: Resolution 2021-2 Waiving the True-Up for FY2019-20

Background: The NCCWC operates under an authorized annual budget that is based on forecasted revenue (resources) and expenditures (requirements). Following a formal audit of the “closed books” from the previous fiscal year, the Agreement that governs the NCCWC calls for a “true-up” to be established between the “actuals” and “budgeted” costs.

Section 2.2(ii) states: “The budgeted costs shall be used to establish a projected price of water based on projected demand (i.e. use) from the NCCWC by all Members. Following the close of each fiscal period, a “true-up” will be established to reconcile the projected and actual cost of water. Any resulting reimbursement (or surcharge) owed to the Members shall be paid (or collected) within sixty (60) days of written notice to the Members, unless approved otherwise by the Board.”

Analysis: Following FY2019-20, the actual water sales (or resources) were sufficient the total planned operating expenditures, leaving excess revenue totaling \$152,432. Under the Agreement, the member agencies would be eligible for reimbursement of their respective amounts based on relative water use.

Staff is recommending the Board formally adopt Resolution 2021-2, thereby waiving the true-up for FY2019-20. The excess funds would remain within the General Fund and be held as part of the fund’s balance as anticipated in the FY2020-21 budget.

In the future, this “true-up” will be done by March (of each year) in concert with the preliminary budget process; thus, avoiding any conflict in the budget approval procedures.

Options: Reject Resolution 2021-2 and issue a reimbursement to member agencies totaling \$152,432 based on actual water use.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 24, 2020

Staff Recommendation: Adopt Resolution 2021-2 as requested.

Draft Motion(s): Move to adopt Resolution 2021-2 waiving the true-up for FY2019-20, as presented.

NORTH CLACKAMAS COUNTY WATER COMMISSION

Resolution No. 2021-2

A RESOLUTION WAIVING THE TRUE-UP FROM FY2019-20

WHEREAS, the FY2019-20 Adopted Budget authorized requirements totaling \$6,477,116; and

WHEREAS, those planned requirements included General Fund operating expenses of \$2,195,800 for personnel, materials and services, and capital, along with a transfer of \$400,000 to the Plant Reserve Fund; and

WHEREAS, the actual resources in the General Fund (from water sales) for the same fiscal period were sufficient to cover the planned requirements, leaving excess revenue from water sales totaling \$152,432; and

WHEREAS, Section 2.2(ii) of the Intergovernmental Agreement (IGA) governing the NCCWC calls for a true-up to be made each year between the actual and budgeted costs, unless approved otherwise by the Board of Directors; and

WHEREAS, the true-up from FY2019-20 would cause a reimbursement of \$152,432 to the member agencies based on their actual water usage; and

WHEREAS, the waiver of such reimbursement shall have no detrimental impact on the future finances of the NCCWC.

NOW, THEREFORE BE IT RESOLVED, BY THE NORTH CLACKAMAS COUNTY WATER COMMISSION BOARD OF DIRECTORS THAT:

The true-up called for under Section 2.2(ii) of the Intergovernmental Agreement (IGA) governing the NCCWC shall be formally waived for FY2019-20.

Approved by the Board of Director's on this 24th day of June 2021.

By _____
Matt Tracy, Chair

By _____
Wade Hathhorn, General Manager

Attest this 24th day of June 2021

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 24, 2021

Agenda Item 6.2

- Subject:** Adopt Approved FY2021-22 Budget and Authorize Appropriations
- Presenter(s):** Wade Hathhorn, General Manager
- Board Action:** The Board is requested to approve Resolution 2021-3 adopting the approved FY2020-21 Budget and authorizing stated appropriations.
- Attachments:** Resolution 2021-3 Adopting FY2020-21 Budget and Authorizing Stated Appropriations
FY2021-22 NCCWC Approved Budget
FY2021-22 LB-1
- Background:** The NCCWC has adopted the state's budget law, as prescribed under Oregon Revised Statutes (ORS), Chapter 294. This law requires the NCCWC to develop and adopt a budget on an annual (or biennial) basis.
- The NCCWC Budget Committee met in March to discuss the FY 2021-22 proposed budget. The Budget Committee unanimously approved the budget as proposed on March 25, 2021. The Board in turn held a Public Hearing to gather input on the approved budget on June 24, 2021. That hearing was properly noticed in the Clackamas Review on June 16, 2021.
- Analysis:** The Board can make changes to the approved budget but it would have to do so under a separate budget hearing. The Budget Officer is recommending the Board adopt the approved FY2021-22 Budget as presented.
- Options:** Amend or adopt budget as presented.
- Staff Recommendation:** Adopt Resolution 2021-3 as requested.
- Draft Motion(s):** Move to approve Resolution 2021-3 adopting the approved FY2021-22 Budget in the amount of \$8,913,729 and so authorize the stated appropriations for fiscal year beginning July 1, 2021, as presented.

North Clackamas County Water Commission

RESOLUTION 2021-3

A RESOLUTION OF THE NORTH CLACKAMAS COUNTY WATER COMMISSION ADOPTING THE FY2021-22 BUDGET AND AUTHORIZING APPROPRIATIONS AS STATED

WHEREAS, pursuant to the requirements of ORS Chapter 294, the Board of Directors for the North Clackamas County Water Commission (NCCWC) are required to adopt a budget and make appropriations for the 2021-22 fiscal period; and

WHEREAS, on March 25, 2021, following public notice and meetings thereon, the duly appointed and authorized Budget Committee approved the annual budget proposed for the 2021-22 period, thereafter held on file at the Commission's office and made available to the public upon request; and

WHEREAS, on June 24, 2021, the Board of Directors held a Budget Hearing following public notice thereon as required by ORS 294.453, resulting in no changes to the approved FY2020-21 Budget.

THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH CLACKAMAS COUNTY WATER COMMISSION THAT:

1. The Board of Directors hereby adopts the annual budget as approved by the Budget Committee for FY 2021-22 in the total sum of \$8,913,729, recorded on file at the NCCWC's office as required by ORS 294.556.
2. The amounts for the fiscal year beginning July 1, 2021 for the purposes shown below are hereby appropriated as follows:

GENERAL FUND

Water Treatment	\$2,018,950	
Transfers	680,000	
Capital Outlay	-	
Fund Contingency	<u>350,000</u>	
Fund Total Appropriation		\$3,048,950
Unappropriated Ending fund balance	\$350,712	

PLANT RESERVE FUND

Capital Outlay	\$455,000	
Fund Contingency	<u>300,000</u>	
Fund Total Appropriation		\$755,000
Unappropriated Fund Reserve Balance	\$4,575,270	

(continued on next page)

REVENUE BOND DEBT SERVICE RESERVE FUND

Transfers	_____	\$0
	Fund Total Appropriation	\$0
Bond Reserve for Future Expenditure	\$103,472	

REVENUE BOND DEBT REDEMPTION FUND

Debt Service	_____	\$77,775
	Fund Total Appropriation	\$77,775
Reserve for Future Expenditures	\$2,550	

2021-2022 TOTAL APPROPRIATIONS, All Funds	\$3,881,725
Total Unappropriated and Reserve Amounts, All Funds	\$5,032,004
Total Adopted Budget	\$8,913,729

This resolution and its statements are hereby approved and declared DULY ADOPTED this 24th day of June, 2021.

By _____
Kevin Williams, Chair

By _____
Wade Hathorn, General Manager

Attest this 24th day of June 2021



Approved Budget

2021-2022



*Pacific Northwest Oregon Subsection of the American Water Works Association
Best Tasting Water 2019*



**Approved Budget
Fiscal Year 2021-2022**

Budget Committee Members

Kevin Bailey
Sunrise Water Authority

Markely Drake, Budget Chair
Sunrise Water Authority

Chris Hawes
Sunrise Water Authority

Peter Kreft
Sunrise Water Authority

Paul Gornick
Oak Lodge Water Services

Amanda Gresen
Oak Lodge Water Services

Kevin Williams
Oak Lodge Water Services

Jim Martin
Oak Lodge Water Services

Matt Tracy
City of Gladstone

Open
City of Gladstone

Budget Officer

Gail Stevens, Finance Director
Direct (503) 353-4203

Administrative Office

14496 SE River Road
Milwaukie, OR 97267
Office (503) 654-7765
Fax (503) 653-1973

**North Clackamas County Water Commission
Approved Budget Fiscal Year
2021-2022**

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**NORTH CLACKAMAS COUNTY WATER COMMISSION
BUDGET CALENDAR
Fiscal Year 2021-2022**

- | | |
|---|---|
| January 25, 2021 | - Appoint Budget Officer
- Approve Budget Schedule |
| March 10, 2021 | - Publish 1st notice of Budget Committee Meeting |
| March 17, 2021 | - Publish 2nd notice of Budget Committee Meeting
(5-30 days prior) |
| March 18, 2021 | - Proposed budget sent to Budget Committee |
| March 25, 2021
5:30 P.M.
Teleconference | - Appoint Budget Committee
- Budget Committee Meeting |
| April 8, 2021 | - Budget Committee Meeting (if necessary) |
| June 9, 2021 | - Publish Notice and Summary of Budget Adoption hearing |
| June 24, 2021 | - Budget Adoption |



March 25, 2021

North Clackamas County Water Commission Budget Committee Members:

Thank you for taking your time to participate in the budget process for the North Clackamas County Water Commission (NCCWC). We are pleased to present the NCCWC's proposed budget for fiscal year 2021-2022 for your consideration and approval.

Overall, the NCCWC is in sound financial condition. Adequate reserves are being accumulated in the Plant Reserve Fund, while operational costs in the General Fund are being carefully managed to limit wholesale water rate increases. Operations at the plant remain highly efficient and effective. Staff is able to provide quality service in production while having adequate capacity to respond during irregular or emergency conditions. Staff is proud to continuously meet all State and Federal regulatory compliance standards.

Looking at the overall numbers, the General Fund budget is projected to be \$3.39 million. This total is comprised of an operating budget of \$2,018,950 along with \$680,000 in total transfers. The inclusion of a \$350,000 Contingency brings the total anticipated expenditures in the General Fund to \$3,048,950, yielding an Ending Fund Balance of \$350,712. These requirements are balanced by an estimate in water sales of \$2,710,000, along with a Beginning Fund Balance and Interest of \$689,662. Note, a portion of the Beginning Fund Balance is being used to fund the stated Contingency – otherwise this requirement would have to be added to annual water sales.

An analysis of the details shows a 10.3% increase in the Operating Expenditures over last year – this includes a 9% increase in Personnel Services and a 10.8% increase in Materials & Services. On the Personnel side, the plant is traditionally operated and maintained with 3 full-time staff. However, this next year, the NCCWC will include an additional entry-level position as part of participation in a new state approved Apprenticeship program. In addition, PERS contributions are expected to rise by 14.3% for Tier 1 & 2 and 43.0% for OPSRP, while health care costs are expected to rise about 16%.

In turn, the Materials & Services budget for next year is expected to be \$1.45 million. This amount reflects a 10.8% increase over last year's budget. The largest components include electricity (\$550,000) and water treatment supplies (\$125,000), as well as contracted and professional services (combined at \$221,000). The remaining items include (but not limited to) expenditures for miscellaneous supplies, insurance, tools, building and grounds maintenance, SCADA, vehicle maintenance and other related expenditures - totaling \$554,000.

The General Fund also includes two important Transfers – the first to the Plant Reserve Fund (\$600,000) and the second to the Revenue Bond Redemption Fund (\$80,000). The transfer to the Plant Reserve Fund is to pay for on-going renewal and replacement of key capital items. While the plant itself remains in very good condition, its age is now requiring on-going repair and replacement of key components. The Board has, in turn, adopted a 20-year capital plan that recommends annual funding of cash reserves in support of these scheduled repairs and replacements. The funding for this capital is being accomplished with the goal of minimizing long-term debt, resulting in greater long-term rate stability. The other transfer in the General Fund is associated with paying the existing annual debt service of \$80,000 in the Revenue Bond Redemption Fund. It is worthwhile to note this is the final year of this debt service payment.

The other major fund in the budget is the Plant Reserve Fund. As noted earlier, this fund is used to support the annual planned capital expenditures. With a beginning balance of \$4,680,270, the fund anticipates a \$600,000 transfer from the General Fund and \$50,000 in forecasted interest income, bringing the total resources to \$5,330,270. Next year's budget includes a total of \$455,000 of planned capital expenditures, with \$317,000 going to buy new equipment (including a feasibility study for a secondary back-up natural gas generator), \$63,000 for buildings, and \$75,000 for a cathodic protection (corrosion) study to be completed for the emergency intertie with Lake Oswego. A detailed list of the planned capital projects is outlined in the appendix of this document. This fund also includes a \$300,000 contingency, bringing the planned total expenditures to \$755,000.

Staff is pleased to have the opportunity to present a fiscally responsible budget to the Board of Directors and the citizens they serve. Your comments and input are greatly appreciated. As we move ahead, we wanted to thank each of you for taking time out of your busy schedules to assist in the budget process and for your dedication to the North Clackamas County Water Commission.

Respectfully submitted,

Wade Hathhorn
General Manager

Gail Stevens
Finance Director/Budget Officer

**North Clackamas County Water Commission
All Fund Summary
Approved Budget
Fiscal Year 2021-2022**

Funds	10 General Fund	13 Plant Reserve	17 Bond Reserve	19 Bond Redemption	Totals
Resources					
Beginning Balance	676,662	4,680,270	102,472	318	\$ 5,459,722
Interest	13,000	50,000	1,000	7	\$ 64,007
Water Sales	2,710,000	-	-	-	\$ 2,710,000
Water Quality	-	-	-	-	\$ -
Miscellaneous	-	-	-	-	\$ -
Transfers	-	600,000	-	80,000	\$ 680,000
Total Resources	\$ 3,399,662	\$ 5,330,270	\$ 103,472	\$ 80,325	\$ 8,913,729
Expenditures					
Personnel Services	569,000	-	-	-	\$ 569,000
Material & Services	1,449,950	-	-	-	\$ 1,449,950
Capital Outlay	-	455,000	-	-	\$ 455,000
Debt	-	-	-	77,775	\$ 77,775
Transfers & Contingency	1,030,000	300,000	-	-	\$ 1,330,000
Unappropriated fund balances	350,712	4,575,270	103,472	2,550	\$ 5,032,004
Total Requirements	\$ 3,399,662	\$ 5,330,270	\$ 103,472	\$ 80,325	\$ 8,913,729

**North Clackamas County Water Commission
Approved Budget FY 2021-2022**

Actual 2018-2019	Actual 2019-2020	Adopted Budget 2020-2021	Acct	DESCRIPTION	Proposed Budget 2021-2022	Approved Budget 2021-2022	Adopted Budget 2021-2022
10 GENERAL FUND							
437,951	412,323	279,650	3000	Beginning Fund Balance	676,662	676,662	
16,465	3,670	13,000	4010	Interest	13,000	13,000	
2,462,309	2,452,111	2,522,950	4020	Water Sales	2,710,000	2,710,000	
1,030,578	1,060,505	1,082,433	-01	OLWD 1,470,000 (ccf)	1,127,000	1,127,000	
454,454	480,472	478,627	-02	City Gladstone 650,000 (ccf)	498,000	498,000	
965,417	896,677	949,890	-03	SWA 1,400,000 (ccf)	1,073,000	1,073,000	
11,860	14,457	12,000	-09	Clackamas River Water	12,000	12,000	
2,699	-	-	4030	Water Quality	-	-	
2,699	-	-	-00	Oak Lodge Water District	-	-	
(1,830)	-	-	4060	Miscellaneous	-	-	
-	-	-	4100	TRANSFERS IN	-	-	-
\$ 2,917,594	\$ 2,868,105	\$ 2,815,600		TOTAL RESOURCES	\$ 3,399,662	\$ 3,399,662	\$ -

**North Clackamas County Water Commission
Approved Budget FY 2021-2022**

Actual 2018-2019	Actual 2019-2020	Adopted Budget 2020-2021	Acct	DESCRIPTION	Proposed Budget 2021-2022	Approved Budget 2021-2022	Adopted Budget 2021-2022
10 GENERAL FUND (continued)							
10 PERSONNEL SERVICES:							
262,027	284,318	260,000	5000	Plant Operators	240,000	240,000	
28,054	52,044	50,000	5005	Overtime/On Call	50,000	50,000	
6,450	30,378	10,000	5030	Seasonal/Temporary	-	-	
-	-	-	5040	Apprenticeship	42,000	42,000	
54,113	48,966	95,000	5050	Medical, Dental, Vision	120,000	120,000	
41,204	41,692	65,000	5060	Retirement	70,000	70,000	
25,586	36,681	35,000	5070	Payroll Taxes	40,000	40,000	
5,034	4,280	7,000	5080	Workers' Compensation Ins.	7,000	7,000	
\$ 422,468	\$ 498,360	\$ 522,000		TOTAL PERSONNEL SERVICES	\$ 569,000	\$ 569,000	\$ -
10 MATERIALS AND SERVICES:							
-	-	10,000	5204	Water Purchases	10,000	10,000	
634	-	-	5205	Administrative Services	-	-	
102,888	107,685	144,000	5206	Contracted Services	221,000	221,000	
3,679	-	-	-00	Unspecified	-	-	
33,000	33,000	40,000	-10	Management	40,000	40,000	
-	-	-	-11	Operations Mgmt.	93,000	93,000	
12,000	12,000	18,000	-12	Plant Engineer	25,000	25,000	
35,322	48,000	48,000	-13	Financial	48,000	48,000	
11,550	10	25,000	-14	Membrane Maintenance	-	-	
7,338	14,675	13,000	-16	HVAC Maintenance	15,000	15,000	
5,131	4,908	7,500	5208	General Office Supplies/Postage	8,500	8,500	
2,236	12,055	5,000	5210	Permits/Licensing Fees	17,000	17,000	
62,248	64,498	80,000	5212	Insurance - General	80,000	80,000	
20,579	7,897	15,000	5215	Computers/Technology	10,000	10,000	
205,246	272,789	196,000	5230	Professional Services	228,000	228,000	
4,720	45,618	10,000	-04	Audit	25,000	25,000	
13,815	91,648	50,000	-06	Legal	50,000	50,000	
20,900	-	-	-08	Engineering / General	10,000	10,000	
165,810	135,524	136,000	-21	Watershed Services	143,000	143,000	
320	233	2,000	5235	Postage	-	-	
86,904	88,061	125,000	5236	Water Treatment	125,000	125,000	
7,885	7,102	20,000	-10	Water Analysis & Testing	15,000	15,000	
73,047	76,978	100,000	-11	Chemicals	100,000	100,000	
5,973	3,980	5,000	-12	Instrumentation & Lab Supplies	10,000	10,000	

**North Clackamas County Water Commission
Approved Budget FY 2021-2022**

Actual 2018-2019	Actual 2019-2020	Adopted Budget 2020-2021	Acct	DESCRIPTION	Proposed Budget 2021-2022	Approved Budget 2021-2022	Adopted Budget 2021-2022
10 GENERAL FUND (continued)							
10 MATERIALS AND SERVICES: (continued)							
14,552	8,714	15,000	5238	Telemetry (SCADA)	10,000	10,000	
453,061	408,393	550,000	5240	Electricity	550,000	550,000	
11,652	7,374	17,250	5244	Education/Training/Dues	17,250	17,250	
5,242	6,757	7,000	5245	Telephone	8,500	8,500	
1,322	175	1,500	5246	Travel/Mileage	500	500	
818	139	1,000	5247	Books and Publications	1,000	1,000	
-	968	500	5248	Public notices	1,000	1,000	
1,974	2,156	3,000	5250	Other Utilities	3,000	3,000	
1,379	1,555	2,000	-10	Natural Gas	2,000	2,000	
595	602	1,000	-20	Garbage	1,000	1,000	
975	1,047	-	5252	Miscellaneous	1,000	1,000	
938	1,047	-	-00	Miscellaneous	1,000	1,000	
37	-	-	-20	Books and Publications	-	-	
413	232	1,200	5256	Commissioner Expenses	1,200	1,200	
8,482	22,395	27,000	5300	Vehicle Equipment Maintenance	30,000	30,000	
1,058	1,334	5,000	-10	Vehicle Maintenance	5,000	5,000	
4,607	4,494	7,000	-20	Fuels/Oils	5,000	5,000	
-	53	5,000	-30	Equipment Rental	5,000	5,000	
2,817	16,514	10,000	-40	Equipment Maintenance	15,000	15,000	
29,865	58,595	96,000	5305	Building & Grounds Maintenance	117,000	117,000	
7,196	9,080	15,000	-10	Building Maintenance	15,000	15,000	
8,426	12,865	10,000	-11	Grounds Maintenance	20,000	20,000	
424	474	1,000	-13	Janitorial Supply	2,000	2,000	
2,192	3,170	5,000	-14	Security Monitoring/Maintenance	5,000	5,000	
1,583	22,276	40,000	-15	Plant Maintenance	40,000	40,000	
864	-	10,000	-16	Intake Structure Maintenance	10,000	10,000	
			-17	Membrane Maintenance	15,000	15,000	
9,181	10,730	15,000	-20	Safety Supplies	10,000	10,000	
45,088	(7,845)	5,000	5310	Small Tools & Equipment	10,000	10,000	
\$ 1,059,631	\$ 1,067,228	\$ 1,308,950		TOTAL MATERIAL & SERVICES	\$ 1,449,950	\$ 1,449,950	\$ -
\$ 1,482,099	\$ 1,565,588	\$ 1,830,950		TOTAL OPERATING EXPENDITURES	\$ 2,018,950	\$ 2,018,950	\$ -

**North Clackamas County Water Commission
Approved Budget FY 2021-2022**

Actual 2018-2019	Actual 2019-2020	Adopted Budget 2020-2021	Acct	DESCRIPTION	Proposed Budget 2021-2022	Approved Budget 2021-2022	Adopted Budget 2021-2022
10 GENERAL FUND (continued)							
10 CAPITAL OUTLAY							
20,984	300	-	6360	Capital Office Equipment	-	-	
20,984	300	-	-10	Computers/Technology	-	-	
32,375	319,454	-	6360	Plant	-	-	
20,242	115,084	-	-20	Operating Facility	-	-	
12,133	70,448	-	-21	Tools & Equipment	-	-	
-	133,922	-	-22	Buildings	-	-	
\$ 53,359	\$ 319,754	\$ -		TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -
10 OTHER REQUIREMENTS							
969,813	480,000	680,000	7300	TRANSFERS OUT	680,000	680,000	
889,813	400,000	600,000	-13	Plant Reserve	600,000	600,000	
80,000	80,000	80,000	-19	Revenue Bond Debt Redemption	80,000	80,000	
-	-	304,650	9000	Fund Contingency	350,000	350,000	
\$ 969,813	\$ 480,000	\$ 984,650		TOTAL OTHER EXPENDITURES	\$ 1,030,000	\$ 1,030,000	\$ -
\$ 2,505,271	\$ 2,365,342	\$ 2,815,600		TOTAL APPROPRIATIONS	\$ 3,048,950	\$ 3,048,950	\$ -
\$ 412,323	\$ 502,762	\$ -		UNAPPROPRIATED FUND BALANCE	\$ 350,712	\$ 350,712	\$ -
\$ 2,917,594	\$ 2,868,104	\$ 2,815,600		TOTAL REQUIREMENTS	\$ 3,399,662	\$ 3,399,662	\$ -

**North Clackamas County Water Commission
Approved Budget FY 2021-2022**

Actual 2018-2019	Actual 2019-2020	Adopted Budget 2020-2021	Acct	DESCRIPTION	Proposed Budget 2021-2022	Approved Budget 2021-2022	Adopted Budget 2021-2022
13 PLANT RESERVE FUND							
2,879,251	3,850,912	4,343,805	3000	Beginning Fund Balance	4,680,270	4,680,270	
81,848	85,154	60,000	4010	Interest	50,000	50,000	
889,813	400,000	400,000	4100 -10	TRANSFERS IN General Fund	600,000	600,000	
\$ 3,850,912	\$ 4,336,066	\$ 4,803,805		TOTAL RESOURCES	\$ 5,330,270	\$ 5,330,270	\$ -
-	-	501,000	7000	CAPITAL OUTLAY	455,000	455,000	
-	-	-	-10	Computers/SCADA/Technology	-	-	
-	-	278,000	-20	Equipment	317,000	317,000	
-	-	-	-30	Sand	-	-	
-	-	-	-40	Membranes	-	-	
-	-	98,000	-50	Buildings	63,000	63,000	
-	-	125,000	-60	Other	75,000	75,000	
-	-	300,000	9000	Fund Contingency	300,000	300,000	
-	-	801,000		TOTAL CAPITAL OUTLAY & OTHER EXP.	755,000	755,000	-
-	-	801,000		TOTAL APPROPRIATIONS	755,000	755,000	-
\$ 3,850,912	\$ 4,336,066	\$ 4,002,805		PLANT RESERVE BALANCE	\$ 4,575,270	\$ 4,575,270	\$ -
\$ 3,850,912	\$ 4,336,066	\$ 4,803,805		TOTAL REQUIREMENTS	\$ 5,330,270	\$ 5,330,270	\$ -

**North Clackamas County Water Commission
Approved Budget FY 2021-2022**

Actual 2018-2019	Actual 2019-2020	Adopted Budget 2020-2021	Acct	DESCRIPTION	Proposed Budget 2021-2022	Approved Budget 2021-2022	Adopted Budget 2021-2022
17 REVENUE BOND DEBT SERVICE RESERVE							
96,796	99,324	101,808	3000	Beginning Fund Balance	102,472	102,472	
2,528	2,189	2,000	4010	Interest	1,000	1,000	
-	-	-	4100	TRANSFERS IN	-	-	
-		-	-10	General Fund	-	-	
\$ 99,324	\$ 101,513	\$ 103,808		TOTAL RESOURCES	\$ 103,472	\$ 103,472	\$ -
			4100	TRANSFERS OUT			
-		-	-19	Bond Redemption Fund	-	-	
-		-	9000	Fund Contingency	-	-	
\$ -		\$ -		TOTAL APPROPRIATIONS	\$ -	\$ -	\$ -
\$ 99,324	\$ 101,513	\$ 103,808		BOND RESERVE BALANCE	\$ 103,472	\$ 103,472	\$ -
\$ 99,324	\$ 101,513	\$ 103,808		TOTAL REQUIREMENTS	\$ 103,472	\$ 103,472	\$ -

**North Clackamas County Water Commission
Approved Budget FY 2021-2022**

Actual 2018-2019	Actual 2019-2020	Adopted Budget 2020-2021	Acct	DESCRIPTION	Proposed Budget 2021-2022	Approved Budget 2021-2022	Adopted Budget 2021-2022
19 REVENUE BOND REDEMPTION FUND							
2,142	2,869	2,138	3000	Beginning Fund Balance	318	318	
90	-	100	4010	Interest	7	7	
80,000	80,000	80,000	4100	TRANSFERS IN	80,000	80,000	
80,000	80,000	80,000	-10	General Fund	80,000	80,000	
-	-	-	-17	Revenue Bond Reserve	-	-	
\$ 82,232	\$ 82,869	\$ 82,238		TOTAL RESOURCES	\$ 80,325	\$ 80,325	\$ -
<hr/>							
			5390	DEBT SERVICE			
65,000	70,000	70,000	-20	Principal Payment	75,000	75,000	
13,613	9,981	9,990	-25	Interest Payment	2,025	2,025	
750	750	750	-50	Fiscal Agent Fees, Misc.	750	750	
-	-	3,281	9000	Fund Contingency	-	-	
\$ 79,363	\$ 80,731	\$ 80,740		TOTAL DEBT SERVICE	\$ 77,775	\$ 77,775	\$ -
\$ 79,363	\$ 80,731	\$ 84,021		TOTAL APPROPRIATIONS	\$ 77,775	\$ 77,775	\$ -
\$ 2,869	\$ 2,138	\$ (1,783)		REDEMPTION FUND BALANCE	\$ 2,550	\$ 2,550	\$ -
\$ 82,232	\$ 82,869	\$ 82,238		TOTAL REQUIREMENTS	\$ 80,325	\$ 80,325	\$ -

Descriptions - Materials & Services

Account #	Description	Budget
5204	Water Purchase	10,000
	Cost of purchasing water from other sources in the event that current production cannot meet demands.	
5206	Contracted Services	221,000
	Charges for services contracted for operations and management necessary for water production.	
5208	General Office Expense	8,500
	Supplies, postage, forms, stationery, office reproductions supplies, and other miscellaneous office supplies. Does not include subscriptions, books, and publications.	
5210	Permits/Licensing Fees	17,000
	Cost of permits and licensing fees necessary or required for the production of drinking water. Includes fees paid to DEQ, OHA, and other regulatory entities.	
5212	Insurance	80,000
	Cost of insurance premiums to include but not limited to property, liability, and auto coverage.	
5215	Computers/Technology	10,000
	Costs associated with computer technology including hardware, software, licensing, associated peripherals and accessories.	
5230	Professional Services	228,000
	Covers legal counsel, auditing service, consulting engineering services, source water protection and conservation program.	
5236	Water Treatment	125,000
	Cost of water quality sample analysis including cost of chemicals, lab supplies, instrumentation supplies and equipment necessary for the testing process with a replacement value of less that \$5,000.	
5238	Telemetry	10,000
	Cost of collection and transmission of measurements and other data for monitoring. Includes costs of Supervisory and Data Acquisition (SCADA) system.	
5240	Electricity	550,000
	Electric utility costs associated with production operations and facilities.	
5244	Education/Travel/Training/Dues	17,250
	Costs associated with employee continuing education and training to maintain certification requirements. Includes related travel expenditures and membership in related professional organizations.	

Descriptions - Materials & Services

Account #	Description	Budget
5245	Telephone	8,500
	Cost associated with telephony, including phone, fax, and mobile devices.	
5246	Mileage	500
	Reimbursement for the cost of private mileage incurred by an employee when traveling for business purposes.	
5247	Books and Publications	1,000
	Cost of reference material used in the normal course of business, such as books, magazines, periodicals, leaflets, pamphlets, etc.	
5248	Public Notices	1,000
	Cost of published required public notifications in accordance with public law.	
5250	Other Utilities	3,000
	Cost of fuels and utilities for facilities, such as heat, gas, light, power, water, sewer, garbage, and steam. Excludes cost of electricity used for water production.	
5252	Miscellaneous	1,000
	Cost of incidental expenses arising during the year not classified in other accounts.	
5256	Commissioner Expense	1,200
	Reimburse of costs to Board Members for associated meeting costs.	
5300	Vehicle and Equipment Maintenance	30,000
	Costs of maintaining vehicle and equipment including fuel, repairs, tires, oil and other cost to maintain in good working condition.	
5305	Building and Grounds	117,000
	Cost of maintaining buildings and grounds, including landscaping services, janitorial, wiring, plumbing, carpentry, painting, etc.	
5310	Small Tools & Equipment	10,000
	Cost of small tools and equipment with a replacement value of less than \$5,000 per item necessary for the performance of work.	
	Total	1,449,950

North Clackamas County Water Commission
Fiscal Year 2021-2022 Line Item Detail
 Staff Travel, Training, and Dues
 5244/5246

# Attending	Sponsor	Dates	Registration Fees	Transport Costs	Lodging Expense	Meal Expense	Total Cost
1	AWWA Annual Conference	June	\$ 1,000	\$ 900	\$ 2,500	\$ 150	\$ 4,550
1	AWWA Water Quality Conf.	Nov	\$ 1,000	\$ 900	\$ 2,500	\$ 150	\$ 4,550
1	Water Works School	June	\$ 700	\$ -	\$ -	\$ 50	\$ 750
	Miscellaneous Seminars		\$ 4,000	\$ -	\$ -	\$ 400	\$ 4,400
2	NWMOA	Misc.	\$ 800	\$ 900	\$ 1,000	\$ 300	\$ 3,000
	Mileage			\$ 500			\$ 500
						Total	\$ 17,750

**North Clackamas County Water Commission
Water Revenue Bond Series 2001
Fiscal Year 2021-2022 Debt Schedule**

Year	Principal	Interest	Total
FY 2021-22	75,000	2,025	77,025
	\$ 75,000	\$ 2,025	\$ 77,025

Maturity Schedule

<u>Due July 1</u>	<u>Principal Amount</u>	<u>Coupon Rate</u>	<u>Yield</u>	<u>Due July 1</u>	<u>Principal Amount</u>	<u>Coupon Rate</u>	<u>Yield</u>
2002	\$ 30,000	3.250%	3.250%	2009	\$ 40,000	4.550%	4.550%
2003	35,000	3.500%	3.500%	2010	45,000	4.700%	4.700%
2004	35,000	3.750%	3.750%	2011	45,000	4.850%	4.850%
2005	35,000	4.000%	4.000%	2012	50,000	4.950%	4.950%
2006	35,000	4.150%	4.150%	2013	50,000	5.050%	5.050%
2007	40,000	4.300%	4.300%	2014	55,000	5.150%	5.150%
2008	40,000	4.400%	4.400%				

**\$465,000 5.400% Term Obligation due July 1, 2021 at 5.500%
(Plus accrued interest from July 1, 2001)**

MANDATORY REDEMPTION

Unless previously called under the provisions for optional redemption, the Term Obligation maturing on July 1, 2021* is subject to annual mandatory redemption by lot by the Commission commencing July 1, 2015 and on July 1 of each year thereafter and in the principal amounts as set forth below, at price of par plus accrued interest to the date of redemption.

\$465,000 Term Bonds due July 1, 2021

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2015	\$ 55,000	2019	\$ 70,000
2016	60,000	2020	75,000
2017	65,000	2021*	75,000
2018	65,000		

* Final Maturity

**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay**

2022 Fund 13 Capital Outlay Account Number Listing

	Approved Budget
7000 CAPITAL OUTLAY	455,000
-10 Computers/SCADA/Technology	-
-20 Equipment	317,000
-30 Sand	-
-40 Membranes	-
-50 Buildings	63,000
-60 Other	75,000

Capital Project Summary Overview				
Account #	Account Description	Page#	Project Name	Budget
-10	Computers/SCADA/Technology			-
-20	Equipment		Rebuild of Raw Water Pump and Finished Water Pump	80,000
-20	Equipment		Hydraulic Dump Trailer	10,000
-20	Equipment		Membrane filtrate and backwash pump rebuild x3	16,000
-20	Equipment		Slow Sand Finished Water Actuators x4	29,000
-20	Equipment		Fleet Truck Replacement	32,000
-20	Equipment		Natural Gas Generator - Study & Design	150,000
-30	Sand			-
-40	Membranes			-
-50	Buildings		Exterior LED Lighting replacement	35,000
-50	Buildings		Garage Floor Epoxy Coating	20,000
-50	Buildings		New Lab Tile and Carpet	8,000
-60	Other		Corrosion Study for Lake Oswego Emergency Pipeline	75,000
Subtotal				455,000

**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Rebuild of existing finished water pump and raw water pump

Cost: \$80,000

GL Code: 10.7000.20

Justification: Staff is requesting the rebuild of an existing finished water pump and raw water pump with the longest run times hours. The finished water pumps have been in service for 16 years and have never been rebuilt. We have been rebuilding one of each for the last couple of years.



**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Hydraulic Dump Trailer

Cost: \$10,000

GL Code: 10.7000-20

Justification: Staff is requesting to purchase a 10x6 foot hydraulic dump trailer to help maintain the plant property. Staff is currently using the slow sand trailer which is designed for use on the slow sand and is taking unneeded abuse for grounds keeping. It is also poorly designed for grounds keeping use.



**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Membrane filtrate and backwash pump rebuild x3

Cost: \$16,000

GL Code: 10.7000-20

Justification: Staff is requesting to have the remaining filtrate and backwash pumps rebuilt this year. This is preventative maintenance and has not been done in 16 years on this equipment.



**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Slow Sand Finished Water Actuators x4

Cost: \$28,500

GL Code: 10.7000-20

Justification: Staff is requesting to replace 4 slow sand finished water actuators. The actuators are coming to the end of their service life and fault on a regular basis.



**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Replacement Fleet Truck

Cost: \$32,000

GL Code: 10.7000-20

Justification: Staff is requesting to replace the aging 10-year-old F-250 with a Toyota Tundra.



**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Feasibility Study and Pre-design Secondary Back-Up Natural Gas Generator

Cost: \$150,000

GL Code: 10.7000-20

Justification: Following the recent storm events that led to extended power outage at the NCWCC plant, staff is recommending a study be conducted of the feasibility of adding a secondary back-up, natural gas generator. The study would be used to assess the feasibility of installing an alternate fuel (natural gas) generator that may provide operational support to all or a portion of the plant during an extreme emergency (weather) event. The work may lead to additional related pre-design.



Picture is for illustration only. Shows a large natural gas generator. Any reference to a particular manufacturer or product is not a related endorsement of any kind.

**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Outdoor LED Lighting

Cost: \$35,000 with possible PGE energy trust rebate

GL Code: 10.7000-50

Justification: Staff is requesting to upgrade and replace existing Metal Halide fixtures with modern, cost saving LED fixtures. These new fixtures will reduce lighting costs significantly and outlast the current bulb configuration.



**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Garage Floor Epoxy Coating

Cost: \$20,000

GL Code: 10.7000-50

Justification: Staff is requesting to have the garage floor epoxy coated to improve concrete life and improved plant aesthetics. The current floor was the original outdoor parking lot for the slow sand plant. The garage was built over it during the membrane upgrade and the surface is starting to show its age with numerous oil and chemical stains.



**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: New Lab Tile and Carpet

Cost: \$8,000

GL Code: 10.7000-50

Justification: Staff is requesting to replace existing 21-year-old Lab Tile and Carpet. The current state of the tile and carpet does not reflect well on the standards of cleanliness the staff likes to uphold.



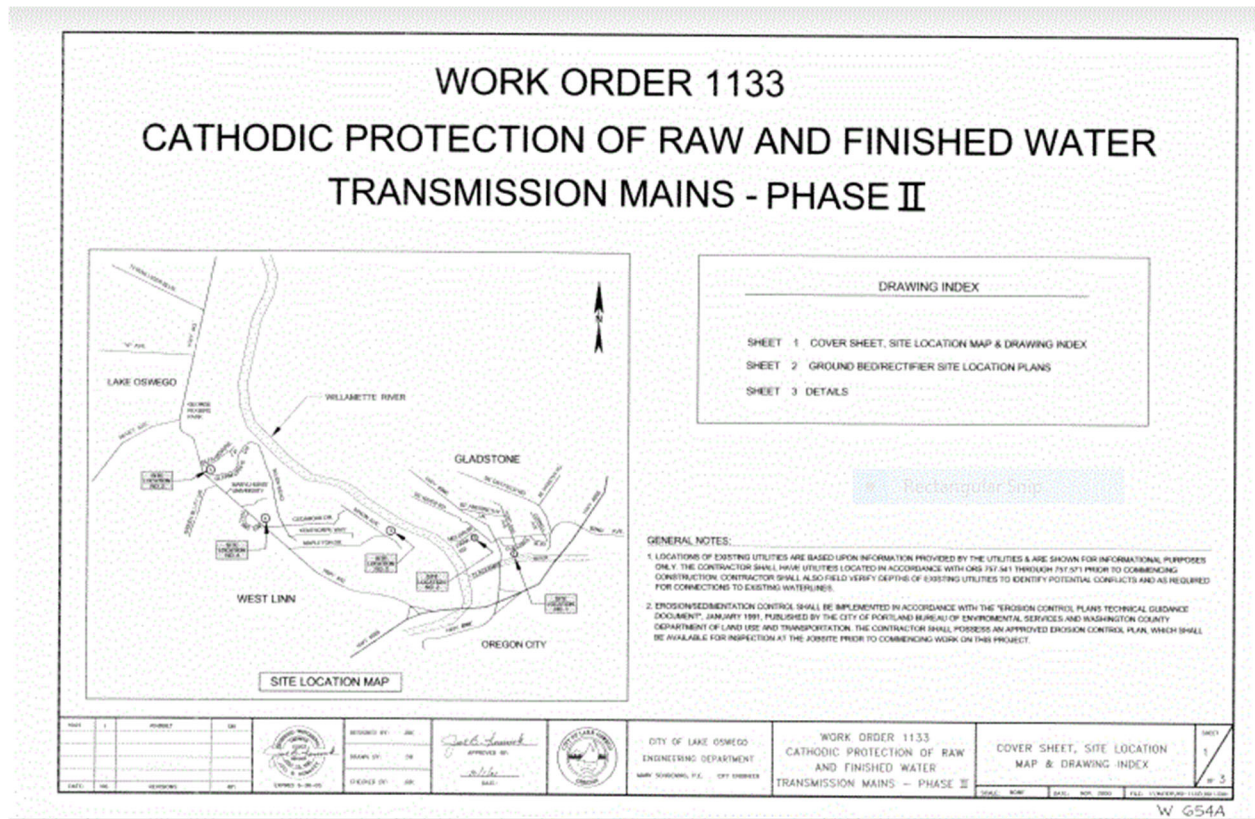
**North Clackamas County Water Commission
2021-2022 Budget
Capital Outlay Justification**

Item: Pipeline Corrosion Study and Design

Cost: \$75,000

GL Code: 10.7000-60

Justification: In 2017, the NCCWC acquired the old raw water pipeline serving the Lake Oswego treatment plant from their intake on the Clackamas River. The pipeline may serve as an important non-potable delivery option across the Willamette River during an emergency (up to 6-8 mgd). Prior to its abandonment, the pipeline was protected by an active cathodic (corrosion) protection system. This project includes an investigation into the restoration of that system, along with related design. This work was initiated in FY2020-21 and is anticipated to rollover up to 60% of those prior funds to FY2021-22.



FORM LB-1

NOTICE OF BUDGET HEARING

A public hearing of the North Clackamas County Water Commission (NCCWC) will be held on June 24, 2021 at 5:30 pm via teleconference to discuss the 2021-2022 fiscal year budget, as approved by the Budget Committee. Join online at <https://meetings.ringcentral.com/j/1487789262> or by phone (623)404-9000 using meeting number 148 778 9262. A summary of the budget is presented below. A copy of the budget is available upon request by emailing gail@olwsd.org or calling (503) 353-4203. This budget is for an annual period beginning July 1, 2021 and ending June 30, 2022.

Contact: Gail Stevens

Telephone: 503-353-4203

Email: gail@olwsd.org

FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2019-2020	Adopted Budget This Year 2020-2021	Approved Budget Next Year 2021-2022
Beginning Fund Balance/Net Working Capital	3,416,140	4,727,401	5,459,722
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	2,465,008	2,522,950	2,710,000
Interfund Transfers / Internal Service Reimbursements	969,813	480,000	680,000
All Other Resources Except Current Year Property Taxes	99,101	75,100	64,007
Total Resources	\$ 6,950,062	\$ 7,805,451	\$ 8,913,729

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Personnel Services	422,468	522,000	569,000
Materials and Services	1,059,631	1,308,950	1,449,950
Capital Outlay	53,359	501,000	455,000
Debt Service	79,363	80,740	77,775
Interfund Transfers	969,813	680,000	680,000
Contingencies	0	607,931	650,000
Unappropriated Ending Balance and Reserved for Future Expenditure	4,365,428	4,104,830	5,032,004
Total Requirements	\$ 6,950,062	\$ 7,805,451	\$ 8,913,729

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *

Name of Organizational Unit or Program FTE for that unit or program			
Water Treatment Operations	1,535,458	2,331,950	2,473,950
FTE	3	3	3
Non-Departmental / Non-Program	5,414,604	5,473,501	6,439,779
FTE	0	0	0
Total Requirements	\$ 6,950,062	\$ 7,805,451	\$ 8,913,729
Total FTE	3	3	3

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

North Clackamas County Water Commission's primary source of revenue is wholesale service charges from member agencies. The Commission is proposing a 3.09% increase in its wholesale service charge rates to ensure gross revenues are exceeding its ongoing operating requirements. Personnel services is increasing 9.0% as a result of adding an apprenticeship program and projected increase in health insurance costs. Materials and services is increasing 10.8% as a result of addition of external professional services and Oregon Department of Environmental Quality permit costs. Capital outlay is projected to be lower than the previous year due to an decrease in planned renewal and replacements. The Commission is confident it can anticipate favorable financial results and a resulting financial position in fiscal year 2022.

PROPERTY TAX LEVIES

	Rate or Amount Imposed 2019-2020	Rate or Amount Imposed This Year 2020-2021	Rate or Amount Approved Next Year 2021-2022
Permanent Rate Levy (rate limit _____ per \$1,000)	\$0	\$0	\$0
Local Option Levy	\$0	\$0	\$0
Levy For General Obligation Bonds	\$0	\$0	\$0

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1, 2021	Estimated Debt Authorized, But Not Incurred on July 1, 2022
General Obligation Bonds	\$0	\$0
Other Bonds	\$75,000	\$0
Other Borrowings	\$0	\$0
Total	\$75,000	\$0

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 24, 2021

Agenda Item 6.3

Subject: Adopt Resolution 2021-4 Adopting Wholesale Water Rate for FY2021-22

Presenter(s): Wade Hathhorn, General Manager

Board Action: The Board is requested to adopt Resolution 2021-4 setting the wholesale water rate for FY2021-22

Attachments: Resolution 2021-4 Setting the Wholesale Water Rate for FY2021-22

Background: Following the adoption of the FY 2021-22 budget, staff calculates the new wholesale rate based on the budgeted requirements for the General Fund and estimated annual demand. The associated rate is common to each Member Agency throughout the year. At year's end, a "true-up" is applied to correct for differences in actual costs and demand.

In 2017, the Board establish a uniform unit pricing structure for wholesale water based on the total General Fund requirements (i.e. total costs) and total demand.

Analysis: The calculation for the wholesale rate is as follows:

General Fund Requirements	\$3,048,950
Less Contingency	<u>(350,000)</u>
Adjusted Requirements	\$2,698,950
Estimated Demand (units as 100 cubic feet)	
Oak Lodge	1,470,000
Gladstone	650,000
Sunrise	<u>1,400,000</u>
Total	3,520,000 ccf
Estimated Unit Cost	\$0.7667 per ccf

This represents a 3.1% change in price from last year (\$0.7437 per ccf)

Options: None

Draft Motion: Move to adopt Resolution 2021-4 setting the wholesale rate for FY 2021-22.

NORTH CLACKAMAS COUNTY WATER COMMISSION

Resolution No. 2021-4

**A RESOLUTION SETTING WHOLESALE WATER RATE
FOR FISCAL YEAR 2021-2022**

WHEREAS, the Board approved the rate setting methodology by motion on September 28, 2017; and

WHEREAS, the cost of service methodology approved by the Board was used to develop the rates for the current year; and

WHEREAS, the rates are to be adopted by the Board of Commissioners;

NOW, THEREFORE BE IT RESOLVED, BY THE NORTH CLACKAMAS COUNTY WATER COMMISSION BOARD OF DIRECTORS THAT:

Effective for the period of July 1, 2021 through June 30, 2022, the new wholesale water rate charged to member agencies is:

\$0.7667 per 100 cubic feet (CCF)

Approved by the Board of Director's on this 24th day of June 2021.

By _____
Kevin Williams, Chair

By _____
Wade Hathhorn, General Manager

Attest this 24th day of June 2021

NORTH CLACKAMAS COUNTY WATER COMMISSION

JUNE 24, 2021

Agenda Item 7.1

Subject: Year to Date Financial Statements

Presenter(s): Gail Stevens, Finance Director

Board Action: None Required

Attachments:

- .1 Monthly Water Production and Cost Summary March 2021
- .2 Monthly Water Production and Cost Summary April 2021
- .3 Monthly Water Production and Cost Summary May 2021
- .4 Water Production and Cost Summary FY2020-21 Year to Date
- .5 Water Sales FY2020-21 and Comparison to FY2019-20
- .6 Budget to Actuals Report FY2020-21 Period 11 May 2021 Year to Date
- .7 LGIP Reconciliation for March 2021
- .8 LGIP Reconciliation for April 2021
- .9 LGIP Reconciliation for May 2021

Background: A summary of financial reports is presented for review. Reports are through the end of May 2021 (Period 11) for FY2020-21; for comparison basis by calendar 91.7% through FY2020-21.

Analysis: Through May 2021, 91.7% of the fiscal year, Water Sales are 98.5% of budget and 12.4% ahead for the same period prior year. Expenditures are 67.9% of budget in the General Fund.

Options: None

Staff Recommendation: Review financial statements as presented.

Draft Motion: None required. Chair should acknowledge receipt of the financial reports for the periods of March, April, and May 2021 as presented.

NCCWC

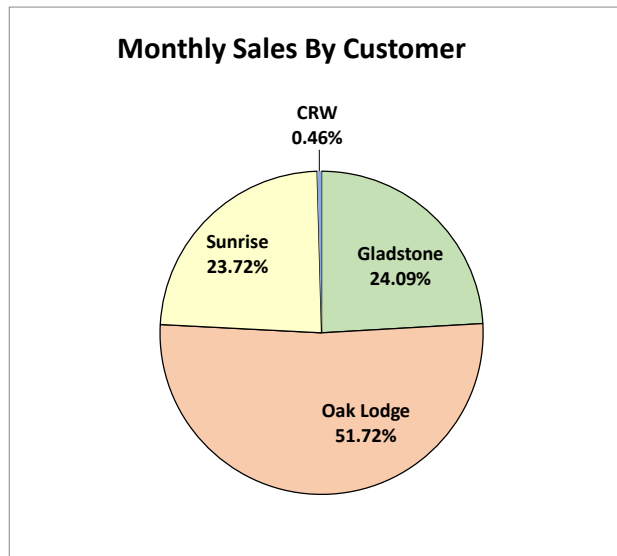
Monthly Water Production and Cost Summary - March 2021

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Production CRW</u>
Average Daily Production (MG)	4.19	4.19	-	-

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Production CRW</u>
Water Production/Purchases (MG)	129.90	129.90	-	-
Water Production/Purchases (ccf) (divide MG by 0.000748)	173,663	173,663	-	-

NCCWC Expenditures (\$):		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 46,609	\$ 46,609	\$ -	\$ -
Electricity	\$ 56,156	\$ 56,156	\$ -	\$ -
Water Treatment	\$ 15,130	\$ 15,130	\$ -	\$ -
Other - Material & Services	\$ 72,391	\$ 72,391	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfer	\$ 50,000	\$ 50,000	\$ -	\$ -
Administration:				
Contracted Services	\$ -	\$ -	\$ -	\$ -
Professional Services	\$ 6,628	\$ 6,628	\$ -	\$ -
Wholesale Purchases	\$ -	\$ -	\$ -	\$ -
Total Requirements w/out Debt	\$ 246,915	\$ 246,915	\$ -	\$ -
Cost w/out Debt: \$/(ccf):	\$ 1.42	\$ 1.42	\$ -	\$ -

<u>VOLUME PURCHASED:</u>	<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	31.10	66.77	30.62	0.60
Water Sales (ccf)	41,578	89,267	40,939	800
% Water Sales per Entity (ccf)	24.09%	51.72%	23.72%	0.46%
GLAD Rate	\$ 0.74370	\$30,922		
OLWD Rate	\$ 0.74370		\$66,388	
SWA Rate	\$ 0.74370		\$30,446	
CRW Water Rate(\$0.73621*1.4) /ccf	\$ 1.03069			\$825
Monthly Weighted Avg Cost	\$ 0.74503			
Monthly Gain/(Loss) w/out Debt	\$ (0.67678)			



NCCWC

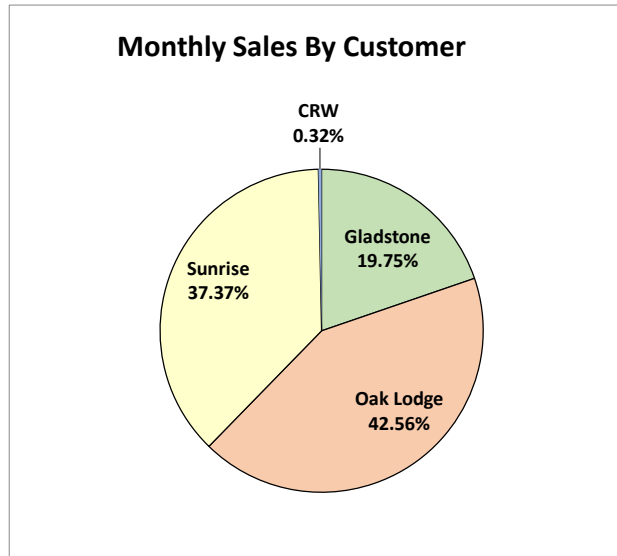
Monthly Water Production and Cost Summary - April 2021

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Production CRW</u>
Average Daily Production (MG)	6.60	6.26	0.34	-

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Production CRW</u>
Water Production/Purchases (MG)	198.08	187.90	10.18	-
Water Production/Purchases (ccf) (divide MG by 0.000748)	264,809	251,203	13,606	-

NCCWC Expenditures (\$):		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 42,117	\$ 42,117	\$ -	\$ -
Electricity	\$ (442)	\$ (442)	\$ -	\$ -
Water Treatment	\$ 8,054	\$ 8,054	\$ -	\$ -
Other - Material & Services	\$ 17,549	\$ 17,549	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfer	\$ 50,000	\$ 50,000	\$ -	\$ -
Administration:				
Contracted Services	\$ 11,739	\$ 11,739	\$ -	\$ -
Professional Services	\$ 100	\$ 100	\$ -	\$ -
Wholesale Purchases	\$ -	\$ -	\$ -	\$ -
Total Requirements w/out Debt	\$ 129,117	\$ 129,117	\$ -	\$ -
Cost w/out Debt: \$/(ccf):	\$ 0.49	\$ 0.51	\$ -	\$ -

<u>VOLUME PURCHASED:</u>	<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	37.11	79.96	70.22	0.60
Water Sales (ccf)	49,606	106,901	93,872	800
% Water Sales per Entity (ccf)	19.75%	42.56%	37.37%	0.32%
GLAD Rate	\$ 0.74370	\$36,892		
OLWD Rate	\$ 0.74370		\$79,502	
SWA Rate	\$ 0.74370		\$69,813	
CRW Water Rate(\$0.73621*1.4) /ccf	\$ 1.03069			\$825
Monthly Weighted Avg Cost	\$ 0.74461			
Monthly Gain/(Loss) w/out Debt	\$ 0.25703			



NCCWC

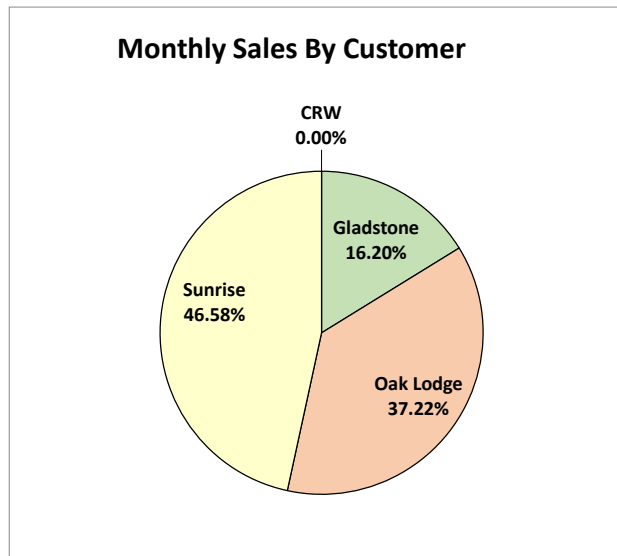
Monthly Water Production and Cost Summary - May 2021

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Production CRW</u>
Average Daily Production (MG)	8.23	8.24	(0.01)	-

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Production CRW</u>
Water Production/Purchases (MG)	255.05	255.35	(0.30)	-
Water Production/Purchases (ccf) (divide MG by 0.000748)	340,973	341,377	(404)	-

NCCWC Expenditures (\$):		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 44,286	\$ 44,286	\$ -	\$ -
Electricity	\$ 31,677	\$ 31,677	\$ -	\$ -
Water Treatment	\$ 4,569	\$ 4,569	\$ -	\$ -
Other - Material & Services	\$ 7,658	\$ 7,658	\$ -	\$ -
Capital Outlay	\$ (184)	\$ (184)	\$ -	\$ -
Transfer	\$ 50,000	\$ 50,000	\$ -	\$ -
Administration:				
Contracted Services	\$ 18,780	\$ 18,780	\$ -	\$ -
Professional Services	\$ 15,863	\$ 15,863	\$ -	\$ -
Wholesale Purchases	\$ -	\$ -	\$ -	\$ -
Total Requirements w/out Debt	\$ 172,648	\$ 172,648	\$ -	\$ -
Cost w/out Debt: \$/(ccf):	\$ 0.51	\$ 0.51	\$ -	\$ -

<u>VOLUME PURCHASED:</u>	<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	41.45	95.22	119.19	-
Water Sales (ccf)	55,410	127,305	159,351	-
% Water Sales per Entity (ccf)	16.20%	37.22%	46.58%	0.00%
GLAD Rate	\$ 0.74370	\$41,208		
OLWD Rate	\$ 0.74370		\$94,677	
SWA Rate	\$ 0.74370		\$118,509	
CRW Water Rate(\$0.73621*1.4) /ccf	\$ 1.03069			\$0
Monthly Weighted Avg Cost	\$ 0.74370			
Monthly Gain/(Loss) w/out Debt	\$ 0.23736			



NCCWC

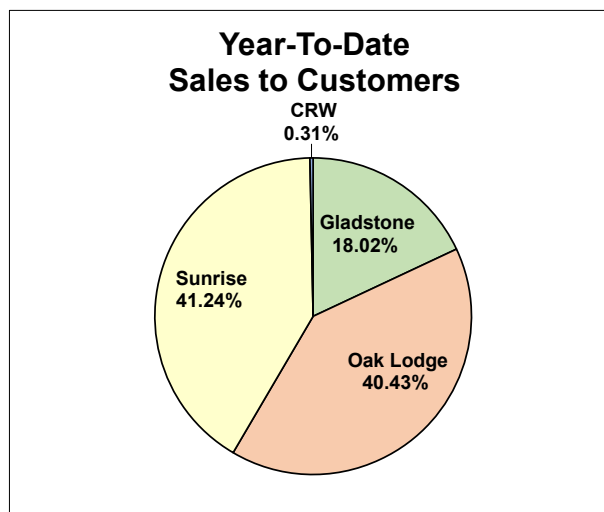
Water Production and Cost Summary - Year to Date 07/01/20 - 5/31/21

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Production CRW</u>
Average Daily Production (MG)	7.44	7.42	0.02	-

	<u>TOTAL</u>	<u>NCCWC Plant</u>	<u>SFWB</u>	<u>Production CRW</u>
Water Production/Purchases (MG)	2,499.68	2,492.55	7.13	-
Water Production/Purchases (ccf) (divide MG by 0.000748)	3,341,818	3,332,286	9,532	-

NCCWC Expenditures (\$):		<u>NCCWC Plant</u>	<u>SFWB</u>	<u>CRW</u>
Operations				
Personnel Services	\$ 319,745	\$ 319,745	\$ -	\$ -
Electricity	\$ 291,197	\$ 291,197	\$ -	\$ -
Water Treatment	\$ 56,343	\$ 56,343	\$ -	\$ -
Other -Material & Services	\$ 81,805	\$ 81,805	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfer	\$ 480,000	\$ 480,000	\$ -	\$ -
Administration				
Contracted Services	\$ 91,067	\$ 91,067	\$ -	\$ -
Professional Services	\$ 131,081	\$ 131,081	\$ -	\$ -
Wholesale Purchases	\$ -	\$ -	\$ -	\$ -
Total Requirements w/out Debt	\$ 1,451,237	\$ 1,451,237	\$ -	\$ -
Cost: w/o Debt \$(/ccf):	\$ 0.43	\$ 0.44	\$ -	\$ -

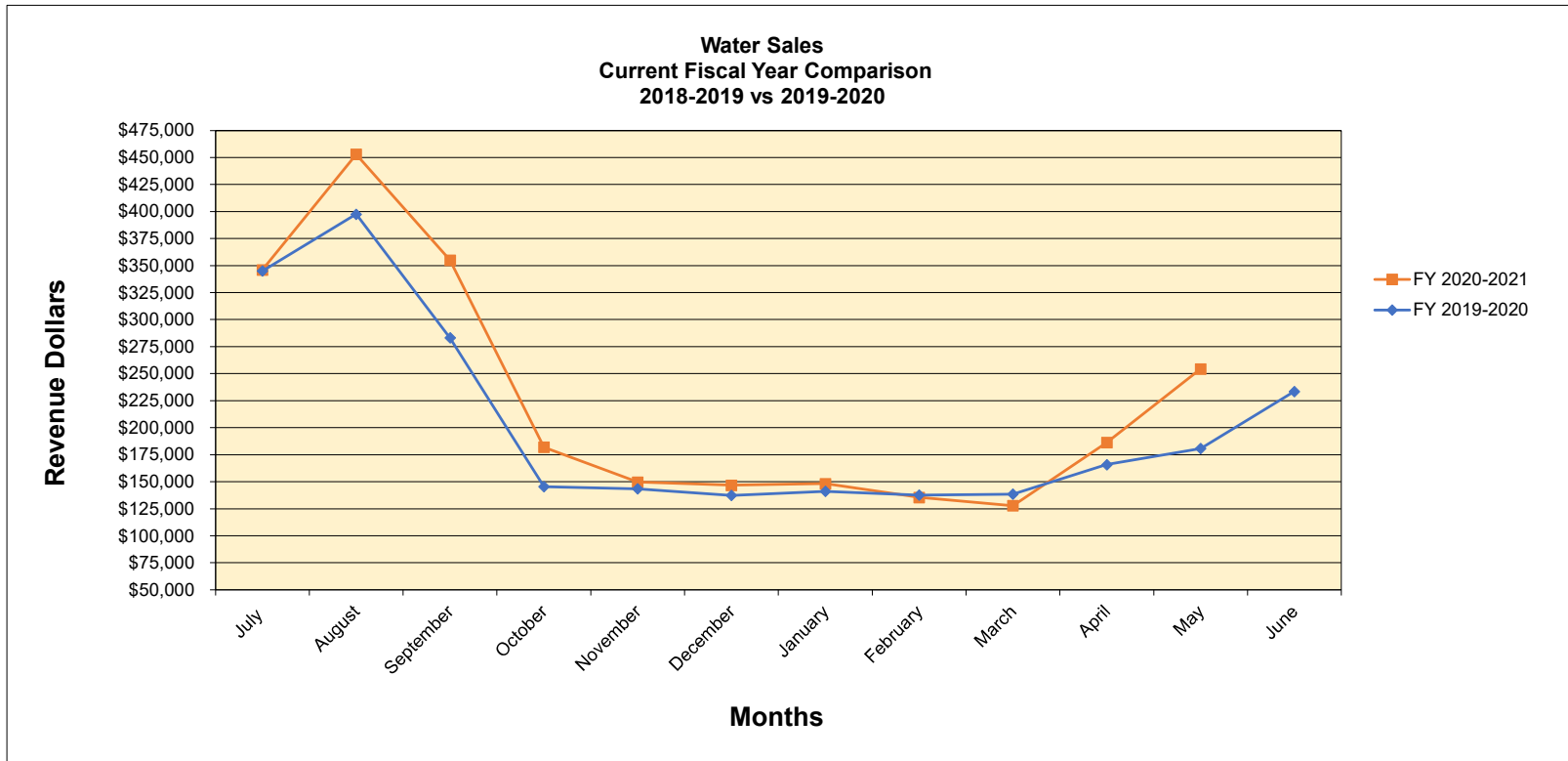
VOLUME PURCHASED:		<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	2,497.47	449.96	1,009.73	1,030.01	7.77
Total Water Sales (ccf)	3,338,861	601,555	1,349,906	1,377,014	10,386
% Water Sales per Entity (ccf)	100%	18.02%	40.43%	41.24%	0.31%
Gladstone Rate	\$ 0.74370	\$ 447,376			
OLWD Rate	\$ 0.74370		\$ 1,003,925		
SWA Rate	\$ 0.74370			\$ 1,024,085	
CRW Water Rate(\$0.73621*1.4) /ccf	\$ 1.03069				\$ 10,705
YTD Weighted Avg Cost	\$ 0.74459				
YTD Gain/(Loss) w/out Debt	\$ 0.31033				



NORTH CLACKAMAS COUNTY WATER COMMISSION

Water Sales Fiscal Year Comparison 2019-2020 vs 2020-2021

	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>Total</u>
GRAPH:													
FY 2019-2020	\$ 345,078	\$ 397,566	\$ 283,046	\$ 145,397	\$ 143,510	\$ 137,477	\$ 141,030	\$ 137,587	\$ 138,409	\$ 165,806	\$ 180,755	\$ 233,567	\$ 2,449,227
FY 2020-2021	\$ 346,054	\$ 453,047	\$ 355,034	\$ 181,896	\$ 149,595	\$ 146,775	\$ 148,220	\$ 135,464	\$ 127,756	\$ 186,207	\$ 254,394		\$ 2,484,443
FY % Comparison	0.28%	13.96%	25.43%	25.10%	4.24%	6.76%	5.10%	-1.54%	-7.70%	12.30%	40.74%	TBD	1.44%



General Ledger Budget to Actual Report

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Period 01 - 11
Fiscal Year 2021



Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10	General Fund				
	<i>Beginning Fund Balance</i>				
10-3000-00	Fund Balance	279,650.00	0.00	502,761.80	179.78
	<i>Beginning Fund Balance</i>	279,650.00	0.00	502,761.80	179.78
	<i>Revenue</i>				
10-4010-00	Interest Income	13,000.00	342.43	2,262.56	17.40
10-4020-01	Water Sales-OLWSD	1,082,433.00	94,676.73	1,003,925.09	92.75
10-4020-02	Water Sales-City of Gladstone	478,627.00	41,208.42	447,376.46	93.47
10-4020-03	Water Sales-SWA	949,890.00	118,509.34	1,024,085.32	107.81
10-4020-09	Water Sales-Clackamas RiverWtr	12,000.00	0.00	12,756.83	106.31
10-4060-00	Miscellaneous Income	0.00	4,161.77	7,056.82	0.00
	<i>Revenue</i>	2,535,950.00	258,898.69	2,497,463.08	98.48
	<i>Personnel Services</i>				
10-5000-00	Plant Operators	260,000.00	11,609.60	201,970.63	77.68
10-5005-00	OvertimeOn-Call	50,000.00	1,575.91	42,906.21	85.81
10-5030-00	Part-Time Operator	10,000.00	3,370.00	31,095.16	310.95
10-5050-00	MedicalDentalVision Ins.	95,000.00	7,799.92	99,834.19	105.09
10-5060-00	Retirement	65,000.00	2,195.26	32,672.01	50.26
10-5070-00	Payroll Taxes	35,000.00	1,278.63	23,012.32	65.75
10-5080-00	Workers Compensation	7,000.00	0.00	4,810.83	68.73
	<i>Personnel Services</i>	522,000.00	27,829.32	436,301.35	83.58
	<i>Materials & Services</i>				
10-5204-00	Water Purchases	10,000.00	0.00	0.00	0.00
10-5206-10	Contracted Services-Management	40,000.00	5,607.42	27,875.97	69.69
10-5206-12	Contracted Svcs-Plant Engineer	18,000.00	4,026.26	20,131.29	111.84
10-5206-13	Contracted Services-Financial	48,000.00	0.00	48,000.00	100.00
10-5206-14	Membrane Maintenance	25,000.00	0.00	1,757.19	7.03
10-5206-16	HVAC	13,000.00	0.00	14,675.00	112.88
10-5208-00	General Office Expenses	7,500.00	899.60	4,739.50	63.19
10-5210-00	PermitsLicensing Fees	5,000.00	0.00	3,405.00	68.10
10-5212-00	General Insurance	80,000.00	0.00	67,313.00	84.14
10-5215-00	ComputersTechnology	15,000.00	54.00	665.14	4.43

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10-5230-04	Audit Services	10,000.00	0.00	34,437.64	344.38
10-5230-06	Legal Services	50,000.00	0.00	32,351.45	64.70
10-5230-21	Watershed Services	136,000.00	0.00	71,020.00	52.22
10-5235-00	Postage	2,000.00	0.00	845.07	42.25
10-5236-10	Water Analysis and Testing	20,000.00	0.00	6,469.98	32.35
10-5236-11	Chemicals	100,000.00	1,895.00	68,931.17	68.93
10-5236-12	Process Instrumentation	5,000.00	939.57	6,960.07	139.20
10-5238-00	Telemetry (SCADA)	15,000.00	1,499.99	10,337.19	68.91
10-5240-00	Electricity	550,000.00	30,337.92	377,248.38	68.59
10-5244-00	Education Training and Dues	17,250.00	-432.00	5,472.25	31.72
10-5245-00	Telephone	7,000.00	601.18	6,670.04	95.29
10-5246-00	Travel Expenses	1,500.00	0.00	0.00	0.00
10-5247-00	Books & Publications	1,000.00	0.00	913.78	91.38
10-5248-00	Public Notices	500.00	0.00	1,087.60	217.52
10-5250-10	Natural Gas	2,000.00	162.07	1,662.17	83.11
10-5250-20	Garbage	1,000.00	48.45	512.50	51.25
10-5252-00	Miscellaneous Expense	0.00	0.00	390.81	0.00
10-5256-00	Commisioner FeesExpenses	1,200.00	0.00	0.00	0.00
10-5300-10	Vehicle Maintenance	5,000.00	1,407.36	11,076.55	221.53
10-5300-20	FuelsOils	7,000.00	325.05	2,986.65	42.67
10-5300-30	Equipment Rental	5,000.00	50.00	50.00	1.00
10-5300-40	Equipment Maintenance	10,000.00	0.00	11,912.90	119.13
10-5305-10	Building Maintenance	15,000.00	141.42	9,611.96	64.08
10-5305-11	Grounds Maintenance	10,000.00	1,115.00	6,695.93	66.96
10-5305-13	Janitorial Supplies	1,000.00	225.23	1,510.78	151.08
10-5305-14	Security MonitoringMaint	5,000.00	0.00	1,385.00	27.70
10-5305-15	Plant Maintenance	40,000.00	997.18	20,309.91	50.77
10-5305-16	Intake Structure Maintenance	10,000.00	0.00	443.13	4.43
10-5305-20	Safety Supplies	15,000.00	311.99	6,861.24	45.74
10-5310-00	Small Tools & Equipment	5,000.00	261.98	2,556.03	51.12
	<i>Materials & Services</i>	<i>1,308,950.00</i>	<i>50,474.67</i>	<i>889,272.27</i>	<i>67.94</i>
	<i>Capital Outlay</i>				
10-6360-40	Safety Equipment	0.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
	<i>Transfers & Contingencies</i>				
10-7300-13	Transfer to Plant Reserve	600,000.00	50,000.00	550,000.00	91.67
10-7300-19	Transfer Rev Bond Redemption	80,000.00	0.00	80,000.00	100.00
10-9000-00	Operating Contingency	304,650.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>984,650.00</i>	<i>50,000.00</i>	<i>630,000.00</i>	<i>63.98</i>
10	General Fund	0.00	130,594.70	1,044,651.26	0.00
13	Plant Reserve				
	<i>Beginning Fund Balance</i>				
13-3000-00	Fund Balance	4,343,805.00	0.00	4,336,066.18	99.82
	<i>Beginning Fund Balance</i>	<i>4,343,805.00</i>	<i>0.00</i>	<i>4,336,066.18</i>	<i>99.82</i>


Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
	<i>Revenue</i>				
13-4010-00	Interest Income	97,736.00	2,347.84	33,182.80	33.95
13-4100-10	Transfer In - General Fund	600,000.00	50,000.00	550,000.00	91.67
	<i>Revenue</i>	<i>697,736.00</i>	<i>52,347.84</i>	<i>583,182.80</i>	<i>83.58</i>
	<i>Transfers & Contingencies</i>				
13-9000-00	Operating Contingency	300,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>300,000.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
13	Plant Reserve	4,741,541.00	52,347.84	4,919,248.98	103.75
17	Bond Reserve				
	<i>Beginning Fund Balance</i>				
17-3000-00	Fund Balance	101,808.00	0.00	101,512.78	99.71
	<i>Beginning Fund Balance</i>	<i>101,808.00</i>	<i>0.00</i>	<i>101,512.78</i>	<i>99.71</i>
	<i>Revenue</i>				
17-4010-00	Interest Income	2,291.00	52.08	757.83	33.08
	<i>Revenue</i>	<i>2,291.00</i>	<i>52.08</i>	<i>757.83</i>	<i>33.08</i>
17	Bond Reserve	104,099.00	52.08	102,270.61	98.24
19	Bond Redemption				
	<i>Beginning Fund Balance</i>				
19-3000-00	Fund Balance	2,138.00	0.00	2,138.10	100.00
	<i>Beginning Fund Balance</i>	<i>2,138.00</i>	<i>0.00</i>	<i>2,138.10</i>	<i>100.00</i>
	<i>Revenue</i>				
19-4010-00	Interest Income	48.00	0.00	0.75	1.56
19-4100-10	Transfer In - General Fund	80,000.00	0.00	80,000.00	100.00
	<i>Revenue</i>	<i>80,048.00</i>	<i>0.00</i>	<i>80,000.75</i>	<i>99.94</i>
	<i>Materials & Services</i>				
19-5390-20	Principal	75,000.00	0.00	75,000.00	100.00
19-5390-25	Interest	6,075.00	0.00	6,075.00	100.00
19-5390-50	Fiscal Agent Fees	750.00	0.00	750.00	100.00
	<i>Materials & Services</i>	<i>81,825.00</i>	<i>0.00</i>	<i>81,825.00</i>	<i>100.00</i>
19	Bond Redemption	361.00	0.00	313.85	86.94
Revenue Total		3,316,025.00	311,298.61	3,161,404.46	0.9534
Expense Total		3,197,425.00	128,303.99	2,037,398.62	0.6372
Grand Total		4,846,001.00	182,994.62	6,066,484.70	1.2519


**North Clackamas County Water Commission
 LGIP Reconciliation
 March 2021**

Fund Type: Fund And G/L #:		General 10.1005.00	Plant Reserve 13.1005.00	Debt Reserve 17.1005.00	Revenue Redemption 19.1005.00	LGIP Account #4849
G/L Balance	2/28/2021	387,115.79	4,602,786.48	102,116.13	8.12	5,092,026.52
Transfer from		0.00	0.00	0.00	0.00	0.00
Transfer to		0.00	0.00	0.00	0.00	0.00
Transfer Funds		0.00	0.00	0.00	0.00	0.00
Interest (fees)		197.26	2,345.56	52.03	0.00	2,594.85
Rounding Adjustment		0.00	0.00	0.00	0.00	0.00
G/L Balance	3/31/2021	387,313.05	4,605,132.04	102,168.16	8.12	5,094,621.37
LGIP Statement						
LGIP Statement Beginning Balance						5,092,026.52
Transfer from Checking						0.00
Transfer to Checking						0.00
Interest Fees						2,594.85
						0.00
LGIP Stmt Ending Balance						5,094,621.37
Diff in G/L & Bank Balance						0.00

Preparer: Gail Stevens

Approver: Aleah Binkowski-Burk

Signature: 

Signature: 
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Aleah Binkowski-Burk
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Date: 6/16/2021

Date: 6/18/2021

**North Clackamas County Water Commission
 LGIP Reconciliation
 April 2021**

Fund Type: Fund And G/L #:		General 10.1005.00	Plant Reserve 13.1005.00	Debt Reserve 17.1005.00	Revenue Redemption 19.1005.00	LGIP Account #4849
G/L Balance	3/31/2021	387,313.05	4,605,132.04	102,168.16	8.12	5,094,621.37
Transfer from		0.00	0.00	0.00	0.00	0.00
Transfer to		0.00	0.00	0.00	0.00	0.00
Transfer Funds		0.00	0.00	0.00	0.00	0.00
Interest (fees)		190.99	2,271.06	50.37	0.00	2,512.42
Rounding Adjustment		0.00	0.00	0.00	0.00	0.00
G/L Balance	4/30/2021	387,504.04	4,607,403.10	102,218.53	8.12	5,097,133.79
LGIP Statement						
LGIP Statement Beginning Balance						5,094,621.37
Transfer from Checking						0.00
Transfer to Checking						0.00
Interest						2,512.42
Fees						0.00
LGIP Stmt Ending Balance						5,097,133.79
Diff in G/L & Bank Balance						(0.00)

Preparer: Gail Stevens

Approver: Aleah Binkowski-Burk

Signature: 

Signature: 
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 Aleah Binkowski-Burk
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Date: 6/16/2021

Date: 6/18/2021


**North Clackamas County Water Commission
 LGIP Reconciliation
 May 2021**

Fund Type: Fund And G/L #:		General 10.1005.00	Plant Reserve 13.1005.00	Debt Reserve 17.1005.00	Revenue Redemption 19.1005.00	LGIP Account #4849
G/L Balance	4/30/2021	387,504.04	4,607,403.10	102,218.53	8.12	5,097,133.79
Transfer from		0.00	0.00	0.00	0.00	0.00
Transfer to		0.00	0.00	0.00	0.00	0.00
Transfer Funds		0.00	0.00	0.00	0.00	0.00
Interest (fees)		197.45	2,347.84	52.08	0.00	2,597.37
Rounding Adjustment		0.00	0.00	0.00	0.00	0.00
G/L Balance	5/31/2021	387,701.49	4,609,750.94	102,270.61	8.12	5,099,731.16
LGIP Statement						
LGIP Statement Beginning Balance						5,097,133.79
Transfer from Checking						0.00
Transfer to Checking						0.00
Interest						2,597.37
Fees						0.00
LGIP Stmt Ending Balance						5,099,731.16
Diff in G/L & Bank Balance						0.00

Preparer: Gail Stevens

Approver: Aleah Binkowski-Burk

Signature: 

Signature: 
DocuSigned by:
 Aleah Binkowski-Burk
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Date: 6/16/2021

Date: 6/18/2021

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 24, 2021

Agenda Item 7.2

Subject: Operations Report

Presenter(s): Joe Rogers, Plant Supervisor

Board Action: Open discussion

Attachments: None

Topics

Monthly Production

March: The plant produced a total of 148.20 million gallons at an average day rate of 4.63 MGD. Of the total water produced, the slow sand filter produced 148.20 million gallons and the membrane filters produced 0 million gallons. The highest production day for the month was 5.6 MGD. The Commission did not purchase or sell water to South Fork during this month.

April: The plant produced a total of 199.20 million gallons at an average day rate of 6.64 MGD. Of the total water produced, the slow sand filter produced 139.32 million gallons and the membrane filters produced 59.88 million gallons. The highest production day for the month was 9.60 MGD. The Commission did not purchase or sell water to South Fork during this month.

May: The plant produced a total of 271.90 million gallons at an average day rate of 8.77 MGD. Of the total water produced, the slow sand filter produced 197.93 million gallons and the membrane filters produced 76.70 million gallons. The highest production day for the month was 14.10 MGD. The Commission did not purchase or sell water to South Fork during this month.

Staff Notes

The staff has been hard at work finishing up the last of the capital improvement projects. NCCWC has permanently hired our former summer intern, Ben Koepke, after losing Mike Page to Hillsboro water. We wish Mike the best of luck and we are very fortunate to bring on Ben. Ben, has worked for NCCWC for the last 2 years in a part-time capacity and is transitioning well into his new full-time role. Pinning was completed in April and the membranes are holding up well.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 24, 2021

Agenda Item 7.3

Subject: Manager's Report

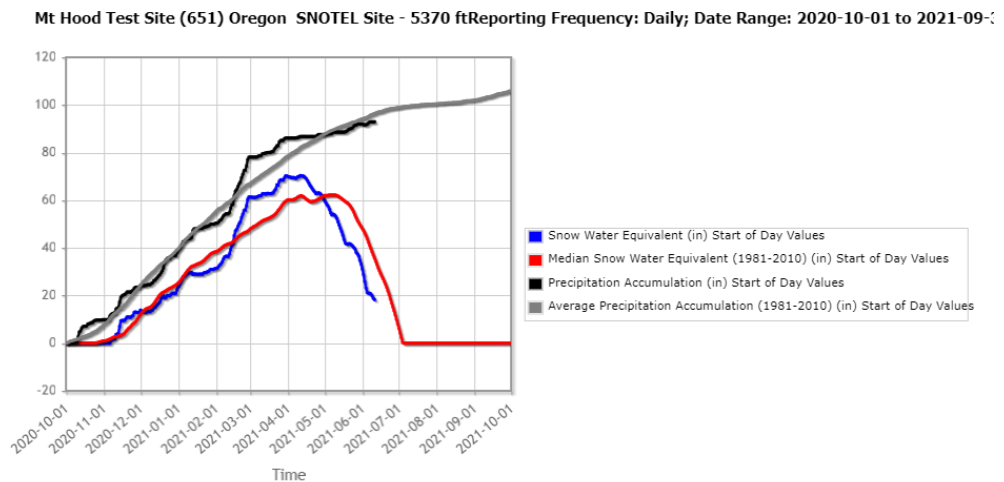
Presenter(s): Wade Hathhorn, General Manager

Board Action: Open discussion

Attachments: None

Update on Snowpack

The snowpack on Mt. Hood has started off following a "median" year, both in terms of snow water equivalent (SWE) and total precipitation (PREC).



Then, in late February and early March, the snow water equivalent (actual in blue; median in red) significantly increased. Shortly thereafter, we experienced an unusually dry and warm April and May, causing an early accelerated decline in snowpack. We will be watching this data as it unfolds this year. Snow volumes are an important element in the "available water" forecast for the Clackamas River basin. We may be looking at conditions leading to early flow reductions and possible calls for late summertime curtailment.

Update on Apprentice Program

In cooperation with So. Fork, NCCWC staff have been participating in the initial Water Apprentice Program (WAG) meetings. The group's efforts are focused on preparing to advertise for and receive the program's first applicants in July. Draft brochure materials, application forms and other program information are being reviewed and readied for public distribution. A copy of the draft flyer is attached.

Update on Corrosion Study

RH2 is steadily working on the Corrosion Study for the former Lake Oswego-Tigard raw water pipeline. The early work involves a comprehensive inventory of the pipe segments that extend from Gladstone, underneath the Willamette River, and

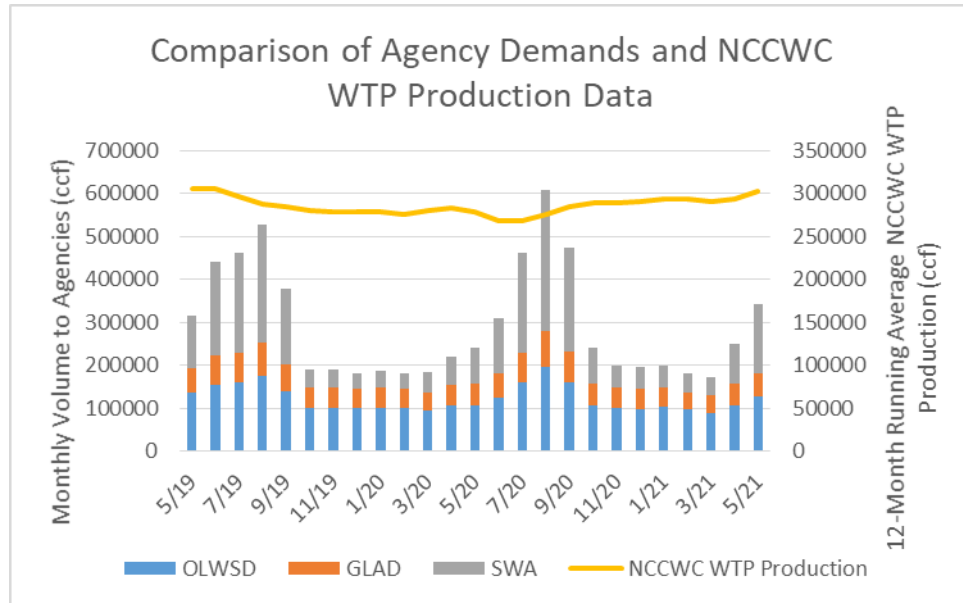
NORTH CLACKAMAS COUNTY WATER COMMISSION

June 24, 2021

out to Highway 43 in West Linn (just west of the treatment plant). The work will include the design layout of a new active corrosion control system.

Summary of Production and Deliveries

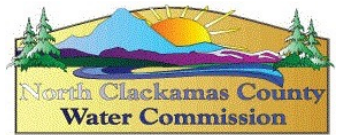
The graph below shows a 12-month rolling average of total production and monthly deliveries to member agencies:



The seasonal impacts on demand are evidenced in the drop observed across subsequent periods. Annual weather conditions are also seen from year to year.

Paid Apprenticeship Program Opportunity

in Water Treatment Plant Operations



SOUTH FORK
WATER BOARD

Live and work in the beautiful
Pacific Northwest.

**Join
our
team!**



THE WATER APPRENTICESHIP GROUP is proud to offer a special training opportunity to become a skilled water treatment plant operator through a paid apprenticeship program. This is an outstanding opportunity for highly motivated individuals who understand the importance of serving and protecting public health through clean and safe drinking water.

Apprentices will work at the South Fork Water Board and North Clackamas County Water Commission treatment plants in Clackamas County, Oregon.

Upon successful completion of this two-year program, graduates will have earned enough experience and education to pass the Level I Operator Certification exam issued by the State of Oregon.

This apprenticeship programs offers:

- ✓ An hourly wage of \$17 per hour the first year, increasing to \$19 per hour the second year. There will be no benefits offered with this position with the exception of PERS contributions after six months of employment, and two weeks paid vacation after successful completion of the first year. Additional benefits as required by State or Federal law may apply to this position.
- ✓ The time and opportunity to **earn up to one year's post high school education in the field of water treatment** in an accredited correspondence program from the Sacramento State Office of Water Programs. As part of the apprenticeship program, the Water Apprenticeship Group will pay all tuition and material costs associated with these courses.
- ✓ **Extensive hands-on training** in proper laboratory practices and procedures, treatment plant operation, interpretation of the SCADA system, and general maintenance and treatment plant upkeep.
- ✓ **Training in the theory and practical application of the techniques and tools** related to the successful operation of a water treatment plant.



The beautiful Clackamas River is perfect for fishing, kayaking, or just enjoying.

Minimum Qualifications – Applicants must:

- ✓ Be 18 years of age or older.
- ✓ Have a high school diploma or GED.
- ✓ Possess and maintain a valid driver's license and satisfactory driving record.
- ✓ Pass a drug test and criminal background check
- ✓ Be able to repeatedly sit, walk, talk, and hear both in person and on the telephone; use hands to finger, grasp and feel objects and controls; stand for prolonged periods and lift, carry, push and pull up to 50 pounds; occasionally bend, stoop, squat, reach above shoulder height, kneel, crawl, climb and twist.
- ✓ Be able to hear and see within normal range with or without correction.



How to Apply

Email:

Online:

Expectations and conditions of employment apply to this position as follows:

1. This is an at will position, meaning the Water Apprenticeship Group reserves the right to terminate the apprentice's participation in this program at any time if the apprentice fails to meet the expectations of the job or educational requirements.
2. This will be a full time, 40 hour per week position consisting of 5 workdays per week, 8 hours per day. Shifts may vary to include nights and weekends as training requirements dictate and the apprentice is expected to be willing and available to work any shift required.
3. Consistent attendance is expected in this program. While an occasional illness is understandable, missing more than five days of work per year may be cause for termination from the program.
4. The selected apprentice is expected to be on time for all scheduled shifts and dressed appropriately and ready to perform all duties necessary in relation to the job. The position involves occasional work outdoors in a variety of weather conditions and may involve occasional exposure to noise, fumes, and dirt; working in confined spaces; and exposure to hazardous materials.
5. The apprentice will be formally evaluated through a written performance review on a quarterly basis.
6. Participation and successful completion of this program is not an offer or guarantee of continued employment by South Fork Water Board or the North Clackamas County Water Commission. Successful completion of this program will result in a well-trained water treatment professional that has a proven track record of employment in the industry.



You'll learn from the best in the industry – our dedicated staff.



Our facilities are state-of-the-art.

WATER SUPPLY AGREEMENT

This agreement is entered into this _____ day of _____, 2021 between the Clackamas River Water District (hereinafter "CRW"), which is an ORS Chapter 264 Domestic Water Supply District, and the North Clackamas County Water Commission, (hereinafter "NCCWC"), which is a municipal organization formed under ORS 190 Intergovernmental Agreement, or collectively hereinafter referred to as the "Parties."

WHEREAS, the NCCWC currently purchases wholesale drinking water from CRW under an existing agreement dated March 8, 2001; and

WHEREAS, the existing water supply agreement is set to terminate at the end of 2021; and

WHEREAS, the NCCWC desires to renew a long-term supply agreement with CRW wherein allowing for greater flexibility and adaptability in meeting present and future demands, as well as ~~emergencies emergency supplies~~ supply; and

WHEREAS, the NCCWC intends to expand its future purchases of wholesale water from CRW based on availability and the strategic interests of both Parties.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Contract Period

A. This Agreement shall remain in effect for a period of twenty (20) years, commencing with the execution of this Agreement, unless so approved otherwise by mutual written consent of the Parties.

Commented [WH1]: Period of effect

B. The NCCWC agrees to notify CRW in writing of its ~~intent desire~~ to extend the term of this Agreement, but not later than two (2) years prior to the termination of this Agreement.

Commented [WH2]: Renewal notice

~~B.C. This Agreement is conditioned on and shall not become effective unless and until the Cooperative Intergovernmental Agreement By and Between Clackamas River Water and Sunrise Water Authority dated January 17, 2014, is terminated and the Clackamas Regional Water Supply Commission established thereunder is dissolved.~~

2. Available Capacity

A. CRW ~~will intends to~~ provide up to 10 million gallons per day (mgd) of available treated water capacity to the NCCWC. The Parties acknowledge that additional infrastructure might be necessary to increase water supply to the NCCWC beyond four (4) mgd. In no event, shall CRW be required to deliver water to the NCCWC in excess of this capacity, unless so mutually approved by the Parties beyond that which is technically feasible through existing infrastructure, or which otherwise would create hardship to CRW.

B. The Parties shall, ~~in turn~~, mutually determine desired points of delivery and related transmission (flow rate) capacities for both regular and emergency service. The initial list of points of delivery, along with a description of their related transmission (flow rate)

capacities, is attached to this Agreement as Attachment A. The Parties may amend Attachment A by written agreement of the Parties' general managers.

C. In no event, shall either Party be required to construct added pumping or transmission capacity to meet (or create) said desired points of delivery or flow rate capacities, unless so mutually approved in writing by both Parties. Any future construction of jointly owned assets shall be arranged under separate agreement among the Parties.

Commented [WH3]: The existing agreement provides for specific points of delivery and capacities. Such "fixed" parameters may limit desired flexibility among the Parties with regards to changing demands.

3. Use of Available Capacity

A. The NCCWC will ~~begin purchasing~~ purchase a minimum of 125 million cubic feet of water each ~~year~~ day. ~~The annual period for such purchase shall begin every year on July 1 and extend to the following date of June 30.~~

Commented [WH4]: Include a minimum purchase?

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B. The Parties agree to make use of the available capacity under a cooperative Planning Document. This Planning Document shall be based on a five (5) year forecast of demand and ten (10) year forecast of capital improvements, detailing the desired demand of water to the various points of delivery ~~so approved~~ delineated under ~~item~~ Section 2.B. above, any capital improvements required to meet desired demand, and the anticipated arrangements for covering the expense of such capital improvements. This Planning Document will also identify potential peak seasonal demands and be updated annually. The demands created under this forecast, however, are not a strict obligation to purchase or deliver said amounts by either Party.

~~C.~~ All use of available capacity shall be properly metered at each approved point of delivery through equipment supplied ~~and maintained~~ by the NCCWC, including (but not limited to): meter, valve(s), required backflow assembly and any other equipment so mutually approved by the Parties. CRW shall maintain all distribution facilities from its system through and including the meters at each point of delivery, and will ~~The NCCWC shall, in turn,~~ have each meter periodically tested and calibrated by a qualified, independent party for flow accuracy. The NCCWC shall ~~also~~ have each backflow assembly tested annually by an approved tester. The NCCWC shall provide copies of those test results to CRW upon completion.

~~C.~~
~~D.~~ CRW shall in turn maintain all pipes, pumps, valves and other devices to allow for deliveries from its plant and reservoirs to meet the agreed flow capacities at each of the approved points of delivery.

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4. Rates and Charges

A. The methodology used to establish the Wholesale Water Rate under this agreement shall generally follow and be consistent with the standards of practice for "government-owned utilities," as prescribed under the M1 Manual of the American Water Works Association (AWWA), except as otherwise mutually agreed by the Parties.

Commented [WH5]: Presumes a "cash-basis" for revenue requirements and cost allocation using the "base-extra capacity" method.

B. Rates shall include, but not be limited to, payments for reasonable operation and maintenance expense, depreciation, administrative and general expenses, in-lieu taxes and other costs associated with CRW's financing and operation of its system. However,

a rate of return on investment shall be prohibited. The Parties agree that, at a minimum, the rates paid by the NCCWC and all other consideration paid by the NCCWC pursuant to other agreements related to this Agreement will fully cover CRW's cost of providing water to the NCCWC.

Commented [WH6]: The inclusion of a rate of return is often prescribed for investor-owned utilities. It presumes a "rate of return" is owed on invested capital.

C. Rates may be adjusted each year on July 1 based on the change in the All Urban Consumers Consumer Price Index (CPI-U) for the Pacific Region or every five (5) years based on an update of the cost of service model prescribed in 4.A. above, except as otherwise mutually agreed by the Parties.

5. Billing and Payment

A. Meters shall be read periodically by representatives of CRW at times fixed by mutual agreement of the Parties. The NCCWC may elect to confirm such readings at any time.

B. CRW shall compute and render bills and statements to the NCCWC by the 5th day of each month. CRW shall invoice the NCCWC each month for water usage in the preceding month. NCCWC will in turn make payment on or before the 25th day of the month. A late fee of 1.5 percent per month may be assessed for any unpaid balance.

Commented [WH7]: Previous contracts have included a late fee?

C. If the meters at any time fail to accurately measure the water passage through said meters and it is impracticable to determine actual average daily consumption with reasonable certainty, the charge for water used during the time said meters are out of order shall be based upon the average daily consumption as shown by said meters when in proper operating condition during a comparable period of service.

6. Water Exchange

A. CRW may on occasion request water be delivered by the NCCWC to various locations to meet operational or emergency supply needs. Such deliveries may be deducted, by equivalent volume, from the metered deliveries to the NCCWC. Such "water exchange," however, shall not affect the amount of water credited towards the ~~annual~~ daily minimum purchase required by the NCCWC. The delivery of water to CRW may also require a "wheeling charge" adjustment for the appropriate cost of service to the prescribed point(s) of delivery, taking into account the cost of delivery to the specified point of delivery due to considerations for elevation (and pressure) and geography.

Commented [WH8]: This item is based on the existing agreement that allows for water to be exchanged among the Parties instead of paying money for it. This item is linked to Item 9 below.

B. However, no party shall be required to exchange water if it would not be technically feasible, require additional infrastructure not approved by separate agreement; or create hardship to the party being requested to do so.

7. Service to CRW Customers

A. The ~~Commission~~ NCCWC agrees to provide, or cause its members to provide, water for domestic service to ~~specific the high level areas of inside~~ CRW's jurisdiction as may be best served by the ~~Commission~~ NCCWC or its members and as authorized by CRW. The formula for computing the credit to the ~~Commission~~ NCCWC for water provided to CRW customers will be determined by joint resolution of the CRW and the ~~Commission~~ NCCWC Boards.

Commented [WH9]: NCCWC actually serves a limited number of CRW customers. Need to preserve related provisions.

- B. Water main extensions connected to the ~~Commission~~NCCWC system within CRW shall be installed and paid for by CRW, but materials and construction thereof shall be subject to approval by the ~~Commission~~NCCWC or its members.
- C. Service connections to customers in ~~the specific~~ CRW ~~high level~~ areas served by the ~~Commission~~NCCWC or its members shall be made by CRW using materials and construction methods approved by the ~~Commission~~NCCWC. All such service connections shall pay applicable System Development Charges for ~~this the~~ type and size of connection ~~in to~~ the jurisdiction providing ~~said~~ service ~~connection~~.
- D. Should pressure regulators be required either on CRW mains or CRW services, the installation and maintenance thereof shall be the responsibility of CRW and not the ~~Commission~~NCCWC or its members.
- E. Meters on services from the ~~Commission~~NCCWC for customers residing in CRW shall be installed, maintained and read by CRW. The ~~Commission~~NCCWC may check services for leakage or any other purpose.
- F. Similarly, CRW ~~agrees to may~~ provide water for domestic service to areas of the ~~Commission~~NCCWC, or its members' customers, ~~as may be identified in a separate agreement~~.

8. Emergency Operations and Curtailment

A. In the event of an emergency (e.g. power outage, loss of infrastructure, etc.), the Parties agree to work in cooperation to best meet the demands of each Party and may temporarily suspend the terms of this Agreement to meet the operational needs of each Party and those of any third-party requesting assistance, provided the combined needs of each Party is not compromised through such third-party assistance. The Parties further agree that during the emergency each Party shall attempt to record any exchange of water or related service and work to resolve mutual consideration or compensation as prescribed in 6 above, absent the actual exchange of money, unless so agreed by the Parties.

B. In the event of a curtailment or other shortage of water supply, CRW and NCCWC shall share the shortage proportionately so long as NCCWC concurrently adopts and enforces the same customer water use restrictions adopted by CRW in response to the shortage.

9. Notices

All notices related to this Agreement shall be sent to the respective General Manager of each agency and shall be delivered in the form of e-mail or pre-paid mail sent to the appropriate address(es) below:

Clackamas River Water
 Attn: General Manager
 PO Box 2439
 Clackamas, OR 97015-2439

North Clackamas County Water Commission
 Attn: General Manager
 14496 SE River Road
 Milwaukie, OR 97267

Commented [BS10]: We should reference any curtailment policy CRW already has adopted.

Commented [WH11]: Draft language to allow for emergency deliveries. Needs review.

10. Severability

In the event any provisions of this Agreement shall be held to be impossible, invalid or unenforceable, the remaining provisions shall be valid and binding upon the parties hereto. One or more waivers by either party of any provision, term, condition or covenant, shall not be construed by the other party as a waiver of subsequent breach of the same by the other party. Both parties have fully participated in negotiating and writing this Agreement; therefore, it shall not be construed against the party preparing it, but shall be construed as if both parties have prepared it.

11. Acts of God, Emergencies, etc.

Performance or delay in performance of the obligations stated in this Agreement shall be reasonably excused when performance or timely performance is impossible or impracticable because of the occurrence of unforeseeable events such as emergency, catastrophe, disaster, labor disputes, or acts of God.

12. Disputes and Attorney's Fees

A. If a dispute arises between the parties regarding breach of this Agreement or interpretation of any term of this Agreement, the parties shall first attempt to resolve the dispute by negotiation, followed by mediation (if negotiation fails to resolve the dispute), and pursuant to the following steps:

- (i) Step One: The general manager or other person designated by the governing bodies will negotiate on behalf of the entities they represent. The nature of the dispute shall be reduced to writing and shall be presented to each manager who shall then meet and attempt to resolve the issue. If the dispute is resolved at this step, there shall be a written determination of such resolution, signed by each party's manager and ratified by each governing body, which shall be binding upon the parties.
- (ii) Step Two: If the dispute cannot be resolved within ten days under Step One, the parties shall submit the matter to non-binding mediation. The parties shall attempt to agree on a mediator. If they cannot agree, the parties shall request the presiding judge of Clackamas County Circuit Court to appoint a mediator. The dispute shall then be heard by the mediator. The mediator's fees shall be shared equally by the parties. If the issue is resolved at this step, there shall be a written determination of such resolution, signed by each party's manager and ratified by each governing body, which shall be binding upon the parties.
- (iii) Step Three: Disputes that are not resolved after exhausting Steps One and Two or within ninety (90) days, whichever comes earlier, shall be submitted to mutually agreeable arbitration or be resolved by proceedings in Clackamas County Circuit Court. If arbitration, suit or action is commenced, each party shall pay its own legal fees.

13. Full Agreement

This document is the entire, final and complete agreement of the parties pertaining to CRW's provision of surplus water to the NCCWC and supersedes and replaces all prior or existing written and oral agreements between the Parties or their representatives.

By signing this Agreement, the Parties agree to be bound by its terms and conditions for the entire period of its stated term.

CLACKAMAS RIVER WATER:

NORTH CLACKAMAS COUNTY WATER
COMMISSION:

By: _____
Sherry French, President

By: _____
Kevin Williams, Chairman

