



**REGULAR MEETING & PUBLIC HEARINGS
NORTH CLACKAMAS COUNTY WATER COMMISSION
BOARD OF DIRECTORS
JUNE 26, 2025 at 5:30 p.m.**

Join In-Person or Online

14496 SE River Rd.
Oak Grove, OR 97267

<https://us02web.zoom.us/j/83479868758>

AGENDA

BUDGET HEARING – 5:30 PM

1. Convene Public Hearing
2. Invite Public Comment on FY2025-26 Budget Approved March 27, 2025
3. Director Comments and Discussion
4. Close Public Hearing

REGULAR MEETING – EST. 5:40 PM

- 1. Call Meeting to Order**
- 2. Approve Agenda**
- 3. Public Comment**
- 4. Approval of Minutes**
 - 4.1 Approval of Minutes of the March 27, 2025 Budget Committee and Regular Meetings
- 5. Adoption of Consent Calendar**
 - 5.1 Authorization of Checks for March, April, and May 2025
- 6. Board Discussion**
 - 6.1 Adopt FY2025-26 Budget and Authorize Appropriations (Resolution 2025-3)
 - 6.2 Establish FY2025-26 Wholesale Water Rate (Resolution 2025-4)
 - 6.3 Initiate FY2024-25 Audit
- 7. Monthly Items**
 - 7.1 Financial Reports
 - 7.2 Operations Report

- 7.3 Manager's Report
- 7.4 Business from the Board

8. Convene Local Contract Review Board

- 8.1 Adopt Resolution 2025-5 Authorizing a Contract for Engineering Services to Deliver Various Water Treatment Plant Improvements
- 8.2 Adopt Resolution 2025-6 Authorizing the Use of a CM/GC Contract for the Construction of Various Water Treatment Plant Improvements

9. Adjourn Regular Meeting

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 4.1



**BUDGET COMMITTEE
MEETING MINUTES – 5:30 P.M.
MARCH 27, 2025**

BUDGET COMMITTEE PRESENT:

Paul Gornick	Oak Lodge Water Services
Kevin Williams	Oak Lodge Water Services
Chris Hawes	Sunrise Water Authority
Kevin Bailey	Sunrise Water Authority
Luke Roberts	City of Gladstone
Bob Weber	Oak Lodge Water Services
Michael Morrow	Sunrise Water Authority
Jim Kerr	Sunrise Water Authority

STAFF PRESENT:

Wade Hathhorn	Sunrise Water Authority
Jamey Pietzold	Sunrise Water Authority
Laural Casey	Oak Lodge Water Services

ATTENDEES PRESENT:

Lester Garrison	Clackamas River Water
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1. Convene Budget Committee Meeting

Board Chair Hawes called the Budget Committee meeting to order at 5:30 p.m. and facilitated introductions.

2. Elect Budget Committee Chair

Director Roberts nominated Citizen Representative Weber for Budget Committee Chair. Director Hawes seconded. Voting Aye: Directors Roberts, Hawes, Bailey, Williams, and Gornick; and Citizen Representatives Kerr, Weber, and Morrow.

MOTION CARRIED

3. Presentation on Proposed FY2025-26 Budget

General Manager Hathhorn overviewed the financial state of NCCWC, including revenue and capital

expenditures. Finance Director Pietzold presented highlights of the Proposed FY 2025 Budget and Capital Improvement Plan and answered clarifying questions from the Budget Committee.

4. Committee Discussion with Public Input/Comment

The Budget Committee asked questions and made comments regarding:

- The cause of the increase in Materials and Services,
- PERS rates and side account usage,
- The future expenditure line item,
- Contracted Services with Northwest Natural,
- Member agency staffing cost increase,
- Capital expenditures,
- The effect of staffing disruptions on capital spending,

Budget Committee Chair Weber opened the floor to members of the public for comment.

There were none.

Corrections were made and accepted by Finance Director Pietzold regarding typos in page headers and numbering.

5. Consider Motion to Approve/Amend FY2024-25 Budget

Budget Committee Chair Weber called for a motion. Director Gornick moved to approve the fiscal year 2025-26 Proposed Budget. Director Hawes seconded. Recorder Casey conducted a roll call vote. Voting Aye: Directors Roberts, Hawes, Williams, Bailey, Gornick; and Citizen Representatives Weber, Kerr, and Morrow.

MOTION CARRIED

6. Adjourn Meeting

Budget Committee Chair Weber adjourned the meeting at 6:20 p.m.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 4.1



**BOARD OF DIRECTORS
MEETING MINUTES – 6:30 P.M.
MARCH 27, 2025**

BOARD MEMBERS PRESENT:

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

STAFF PRESENT:

Wade Hathhorn	Sunrise Water Authority
Jamey Pietzold	Sunrise Water Authority
Laural Casey	Oak Lodge Water Services

ATTENDEES:

Lester Garrison	Clackamas River Water
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1. Call to Order

Chair Hawes called the Board of Directors meeting to order at 6:20 p.m.

2. Approve Agenda

Chair Hawes called for a motion. Director Williams moved to approve the agenda. Director Gornick seconded. Voting Aye: Directors Roberts, Bailey, Hawes, Gornick, and Williams.

MOTION CARRIED

3. Public Comment

There was no public comment.

4. Approval of Minutes

4.1 Approval of Minutes of the January 23, 2025 Regular Meeting

Chair Hawes called for a motion. Director Roberts moved to approve the January 23, 2025 minutes. Director Gornick seconded. Voting Aye: Directors Roberts, Bailey, Hawes, Gornick, and Williams.

MOTION CARRIED

5. Adoption of Consent Calendar

5.1 Authorization of Checks for December 2024 (Restated), January and February of 2025

Chair Hawes called for a motion. Director Gornick moved to adopt the Consent Calendar. Director Roberts seconded. Voting Aye: Directors Roberts, Bailey, Hawes, Gornick, and Williams.

MOTION CARRIED

6. Board Discussion

6.1 FY 2024-25 Budget Appropriation Transfer

Finance Director Pietzold detailed the budget transfer request.

There were board questions regarding a reduction in personnel services. Finance Director Pietzold explained the current personnel funding approach.

Chair Hawes called for a motion. Director Gornick moved to approve a general fund budget appropriation transfer of \$150,000.00 from contingency to material and services. Director Williams seconded. Recorder Casey conducted a roll call vote. Voting Aye: Directors Roberts, Bailey, Hawes, Gornick, and Williams.

MOTION CARRIED

7. Monthly Items

7.1 Financial Reports

Finance Director Pietzold overviewed the written report.

7.2 Operations Report

There was no discussion regarding the written report.

7.3 Manager's Report

General Manager Hathhorn overviewed the written report, highlighting staffing changes and a future plant chemical transition.

7.4 Business from the Board

There was no business.

8. Recess to Executive Session

- 8.1 Convene under ORS 192.660(2)(f) to consider information or records that are exempt by law from public inspection

Chair Hawes recessed to executive session at 6:40 p.m.

9. Adjourn Executive Session

Chair Hawes adjourned the executive session at 7:02 p.m.

No decisions were made as a result of the executive session.

10. Adjourn Regular Meeting

Chair Hawes adjourned the meeting at 7:02 p.m.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

From the March 27, 2025 Meeting

Agenda Item 5.1

- Subject:** Authorization of ACH & Check Payments for December 2024 (restated), January 2025, and February 2025.
- Presenter(s):** Jamey Pietzold, Interim Finance Director
- Board Action:** The Board is requested to formally authorize the ACH & Check issuances.
- Attachments:** Bank Reconciliation Checks by Date Report
- Background:** The Board is responsible for reviewing and approving monthly ACH & Check payments.
- Analysis:** In the three-month period December 2024 through February 2025, the following ACH and Check payments were issued and processed:
- Wells Fargo Account:
- 33 ACH payments totaling \$257,322.11
 - 66 valid checks issued numbered 31328 through 31393 totaling \$544,483.89
 - Total valid Wells Fargo period payments of \$801,806.00.
 - Nil voided transactions
- LGIP Account:
- Nil ACH and Check payments activity to report
- Consolidated Payment Total = \$801,806.00
- Options:** Approve Issuance and/or requests additional clarification.
- Staff Recommendation:** Approve ACH & Check issuances as presented for December 2024 (restated), January 2025, and February 2025.
- Draft Motion:** Move to approve all valid ACH payments & Checks for the period December 2024, January 2025, and February 2025 totaling \$801,806.00. Noting nil voided transactions.

Bank Reconciliation
 Checks by Date
 User: jpietzold@sunrisewater.com
 Printed: 09/12/2024 - 12:52PM
 Cleared and Not Cleared Checks
 Print Void Checks

ACH Disbursement Activity								
Number	Issue Date	Vendor	Comment	Module	Void	Clear Date	Amount	
0	12/6/2024	Portland General Electric		AP		12/31/2024	48,729.27	
0	12/9/2024	Wells Fargo Remittance Ctr MC		AP		12/31/2024	4,506.07	
0	12/12/2024	Oregon PERS		AP		12/31/2024	3,735.04	
0	12/13/2024	Internal Revenue Service-ACH		AP		12/31/2024	5,493.19	
0	12/13/2024	OR Department of Revenue		AP		12/31/2024	1,650.56	
0	12/13/2024		DD 00001.12.2024	PR		12/31/2024	12,202.72	
0	12/27/2024	Internal Revenue Service-ACH		AP		12/31/2024	2,859.70	
0	12/27/2024	OR Department of Revenue		AP		1/31/2025	960.38	
0	12/27/2024		DD 00002.12.2024	PR		12/31/2024	7,369.08	
0	12/30/2024	Oregon PERS		AP		12/31/2024	3,066.07	
0	1/8/2025	Portland General Electric		AP		1/31/2025	44,908.64	
0	1/9/2025	Wells Fargo Remittance Ctr MC		AP		1/31/2025	5,460.42	
0	1/10/2025	Internal Revenue Service-ACH		AP		1/31/2025	3,249.99	
0	1/10/2025	OR Department of Revenue		AP		1/31/2025	1,068.25	
0	1/10/2025	Oregon PERS		AP		1/31/2025	1,137.74	
0	1/10/2025		DD 00001.01.2025	PR		1/31/2025	8,346.63	
0	1/13/2025		DD 00002.01.2025	PR		1/31/2025	142.28	
0	1/17/2025	Internal Revenue Service-ACH		AP		1/31/2025	23.76	
0	1/17/2025	OR Department of Revenue		AP		1/31/2025	2.37	
0	1/24/2025	Internal Revenue Service-ACH		AP		1/31/2025	3,231.67	
0	1/24/2025	OR Department of Revenue		AP		1/31/2025	1,077.20	
0	1/24/2025		DD 00003.01.2025	PR		1/31/2025	8,683.87	
0	1/27/2025	Oregon PERS		AP		1/31/2025	1,049.66	
0	2/7/2025	Internal Revenue Service-ACH		AP		2/28/2025	3,321.63	
0	2/7/2025	OR Department of Revenue		AP		2/28/2025	1,099.91	
0	2/7/2025		DD 00001.02.2025	PR		2/28/2025	8,794.38	
0	2/9/2025	Wells Fargo Remittance Ctr MC		AP		2/28/2025	13,623.18	
0	2/12/2025	Oregon PERS		AP		2/28/2025	1,124.07	
0	2/14/2025	Portland General Electric		AP		2/28/2025	47,186.12	
0	2/21/2025	Internal Revenue Service-ACH		AP		2/28/2025	2,954.60	
0	2/21/2025	OR Department of Revenue		AP		2/28/2025	994.32	
0	2/21/2025		DD 00002.02.2025	PR		2/28/2025	8,174.07	
0	2/27/2025	Oregon PERS		AP		2/28/2025	1,095.27	
ACH Disbursement Activity Subtotal						33		257,322.11
Voided ACH Activity						-		-
Adjusted ACH Disbursement Activity Subtotal						33		257,322.11

Paper Check Disbursement Activity								
Number	Issue Date	Vendor	Comment	Module	Void	Clear Date	Amount	
31328	12/6/2024	Cintas Corporation - 463		AP		12/31/2024	266.00	
31329	12/6/2024	Cintas Corporation No. 2		AP		12/31/2024	99.00	
31330	12/6/2024	Clackamas River Water District		AP		12/31/2024	68,190.54	
31331	12/6/2024	Hasa, Inc		AP		12/31/2024	3,611.40	
31332	12/6/2024	Hasco Stations, LLC		AP		12/31/2024	68.50	
31333	12/6/2024	Larry Potter Landscape Services		AP		12/31/2024	393.00	
31334	12/6/2024	Oregon City Garbage Co.		AP		12/31/2024	59.15	
31335	12/6/2024	Portland Engineering Inc.		AP		12/31/2024	50.00	
31336	12/6/2024	Special Dist Assoc Of Oregon		AP		12/31/2024	3,554.00	
31337	12/13/2024	Cascade Columbia Distribution		AP		12/31/2024	1,491.00	
31338	12/13/2024	Hasco Stations, LLC		AP		12/31/2024	71.94	
31339	12/13/2024	NW Natural		AP		12/31/2024	197.59	
31340	12/13/2024	Oak Lodge Water Services Authority		AP		12/31/2024	26,998.34	
31341	12/20/2024	AFLAC		AP		12/31/2024	307.76	
31342	12/20/2024	Verizon Wireless		AP		12/31/2024	322.61	
31343	1/3/2025	Atlas Copco Compressors Inc		AP		1/31/2025	2,190.03	
31344	1/3/2025	Cascade Columbia Distribution		AP		1/31/2025	5,150.00	
31345	1/3/2025	CDR Labor Law, LLC		AP		1/31/2025	2,117.00	
31346	1/3/2025	Cintas Corporation - 463		AP		1/31/2025	123.95	
31347	1/3/2025	City of Lake Oswego		AP		1/31/2025	2,034.92	
31348	1/3/2025	Forklift Services of Oregon		AP		1/31/2025	205.82	
31349	1/3/2025	Hasa, Inc		AP		1/31/2025	3,586.44	
31350	1/3/2025	Hasco Stations, LLC		AP		1/31/2025	77.69	
31351	1/3/2025	MOSS ADAMS LLP		AP		1/31/2025	14,700.00	
31352	1/3/2025	Oak Lodge Water Services Authority		AP		1/31/2025	4,347.26	
31353	1/3/2025	Special Districts Insurance Sv (SDIS)		AP		1/31/2025	6,321.68	
31354	1/3/2025	Sunrise Water Authority		AP		1/31/2025	12,027.42	
31355	1/3/2025	Univar USA Inc		AP		1/31/2025	2,739.99	
31356	1/10/2025	Cintas Corporation - 463		AP		1/31/2025	266.00	
31357	1/10/2025	Cintas Corporation No. 2		AP		1/31/2025	99.00	
31358	1/10/2025	Clackamas River Water District		AP		1/31/2025	63,620.94	
31359	1/10/2025	Clackamas River Water Provider		AP		1/31/2025	42,043.00	
31360	1/10/2025	Hasco Stations, LLC		AP		1/31/2025	58.61	
31361	1/10/2025	Merina & Company, LLP		AP		1/31/2025	6,950.00	
31362	1/10/2025	Oregon City Garbage Co.		AP		1/31/2025	664.15	
31363	1/10/2025	Univar USA Inc		AP		1/31/2025	2,899.99	
31364	1/17/2025	Atlas Copco Compressors Inc		AP		1/31/2025	825.87	
31365	1/17/2025	Cascade Columbia Distribution		AP		1/31/2025	9,527.00	
31366	1/17/2025	CDR Labor Law, LLC		AP		1/31/2025	328.50	
31367	1/17/2025	Portland Engineering Inc.		AP		1/31/2025	50.00	
31368	2/4/2025	AFLAC		AP		2/28/2025	615.52	
31369	2/4/2025	City of Lake Oswego		AP		2/28/2025	2,403.65	
31370	2/4/2025	Green Wrench Heavy Equipment LLC		AP		2/28/2025	4,013.19	
31371	2/4/2025	H2O Innovation USA Inc		AP		2/28/2025	3,500.00	
31372	2/4/2025	Hasco Stations, LLC		AP		2/28/2025	84.10	

Bank Reconciliation
 Checks by Date
 User: jpietzold@sunrisewater.com
 Printed: 09/12/2024 - 12:52PM
 Cleared and Not Cleared Checks
 Print Void Checks

31373	2/4/2025	NW Natural	AP	2/28/2025	335.92	
31374	2/4/2025	Sunrise Water Authority	AP	2/28/2025	20,330.54	
31375	2/4/2025	Verizon Wireless	AP	2/28/2025	129.57	
31376	2/11/2025	Basic Fire Protection Inc	AP	2/28/2025	465.00	
31377	2/11/2025	Cintas Corporation - 463	AP	2/28/2025	142.05	
31378	2/11/2025	Clackamas River Water Provider	AP	2/28/2025	84,086.00	
31379	2/11/2025	Hasa, Inc	AP	2/28/2025	3,606.72	
31380	2/11/2025	Larry Potter Landscape Services	AP	2/28/2025	2,332.50	
31381	2/11/2025	Power Solutions Inc.	AP	2/28/2025	9,272.82	
31382	2/11/2025	Pump Dynamics, LLC	AP	2/28/2025	4,549.33	
31383	2/11/2025	Special Districts Insurance Sv (SDIS)	AP	2/28/2025	108,213.84	
31384	2/11/2025	Team Electric Company	AP	2/28/2025	584.00	
31385	2/11/2025	Univar USA Inc	AP	2/28/2025	2,899.99	
31386	2/19/2025	Brent C. Hofer	AP	2/28/2025	843.50	
31387	2/19/2025	Cintas Corporation No. 2	AP		99.00	
31388	2/19/2025	Fedex Freight, Inc	AP	2/28/2025	1,850.66	
31389	2/19/2025	Interstate Roofing, Inc.	AP		571.00	
31390	2/19/2025	Oregon City Garbage Co.	AP	2/28/2025	59.15	
31391	2/19/2025	Portland Engineering Inc.	AP	2/28/2025	50.00	
31392	2/19/2025	Timothy Schrupp	AP		394.00	
31393	2/19/2025	Trotter & Morton - Portland	AP	2/28/2025	4,415.75	
Paper Check Disbursement Activity Subtotal					66	544,483.89
Voided Paper Check Disbursement Activity					-	-
Adjusted Paper Check Disbursement Activity Subtotal					66	544,483.89

Summary of Check by Date Detail inclusive of LGIP ACH Payments

Wells Fargo	Total Void ACH & Check Count:	-
Wells Fargo	Total Void ACH & Check Amount:	-
Wells Fargo	Total Valid ACH & Check Count:	99.00
Wells Fargo	Total Valid ACH & Check Amount:	801,806.00
Wells Fargo	Total ACH & Check Count:	99.00
Wells Fargo	Total ACH & Check Amount:	801,806.00
LGIP	Total Valid ACH Payment Count	-
LGIP	Total Valid ACH Payment Amount	-
Consolidated	Total Valid ACH & Check Payment Amount	801,806.00

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 5.1

Subject: Authorization of ACH & Check Payments for March 2025, April 2025, & May 2025.

Presenter(s): Jamey Pietzold, Interim Finance Director

Board Action: The Board to formally authorize the ACH & Check issuances.

Attachments: Bank Reconciliation Module Checks by Date Report

Background: The Board is responsible for reviewing and approving monthly ACH & Check payments.

Analysis: In the three-month period March 2025 through May 2025, the following ACH and Check payments were issued and processed:

Wells Fargo Account:

- 30 ACH payments totaling \$355,793.25.
- 92 valid checks issued numbered 31394 through 31486 totaling \$773,405.46.
- Total valid Wells Fargo period payments of \$1,129,198.71.
- 2 voided transactions (Check 999 reissued as check 31405; Check 31401 paid to NW Natural as check 31412 & NW Natural Holdings as check 31411).

LGIP Account:

- Nil ACH and Check payments activity to report

Consolidated Payment Total = \$1,129,198.71

Options: Approve Issuance and/or requests additional clarification.

Staff Recommendation: Approve ACH & Check issuances as presented for March 2025, April 2025, & May 2025.

Draft Motion: Move to approve all valid ACH payments & Checks for March 2025, April 2025, & May 2025 totaling \$1,129,198.71. Noting 2 voided transactions.

Bank Reconciliation
 Checks by Date
 User: jpietzold@sunrisewater.com
 Printed: 06/18/2025 - 6:52AM
 Cleared and Not Cleared Checks
 Print Void Checks

ACH Disbursement Activity								
Number	Issue Date	Vendor	Comment	Module	Void	Clear Date	Amount	
0	3/7/2025	Internal Revenue Service-ACH		AP		3/31/2025	4,483.76	
0	3/7/2025	OR Department of Revenue		AP		3/31/2025	1,422.98	
0	3/7/2025		DD 00001.03.2025	PR		3/31/2025	10,737.70	
0	3/9/2025	Wells Fargo Remittance Ctr MC		AP		3/31/2025	5,992.29	
0	3/10/2025	Portland General Electric (PGE)		AP		3/31/2025	44,500.37	
0	3/12/2025	Equipment Depot Northwest, Inc		AP		3/31/2025	40,087.41	
0	3/21/2025	Internal Revenue Service-ACH		AP		3/31/2025	3,285.90	
0	3/21/2025	OR Department of Revenue		AP		3/31/2025	1,115.30	
0	3/21/2025		DD 00002.03.2025	PR		3/31/2025	9,141.66	
0	4/4/2025	Internal Revenue Service-ACH		AP		4/30/2025	4,764.12	
0	4/4/2025	OR Department of Revenue		AP		4/30/2025	1,535.05	
0	4/4/2025		DD 00001.04.2025	PR		4/30/2025	11,616.60	
0	4/9/2025	Wells Fargo Remittance Ctr MC		AP		4/30/2025	6,360.49	
0	4/10/2025	Portland General Electric (PGE)		AP		4/30/2025	44,298.02	
0	4/18/2025	Internal Revenue Service-ACH		AP		4/30/2025	4,190.08	
0	4/18/2025	OR Department of Revenue		AP		4/30/2025	1,342.26	
0	4/18/2025		DD 00002.04.2025	PR		4/30/2025	10,725.52	
0	5/2/2025	Internal Revenue Service-ACH		AP		5/31/2025	4,357.22	
0	5/2/2025	OR Department of Revenue		AP		5/31/2025	1,377.80	
0	5/2/2025		DD 00003.04.2025	PR		5/31/2025	10,840.52	
0	5/6/2025	Portland General Electric (PGE)		AP		5/31/2025	45,358.22	
0	5/9/2025	Wells Fargo Remittance Ctr MC		AP		5/31/2025	5,821.00	
0	5/16/2025	Confluence Engineering Group, LLC		AP		5/31/2025	24,378.50	
0	5/16/2025	Internal Revenue Service-ACH		AP		5/31/2025	4,356.47	
0	5/16/2025	OR Department of Revenue		AP		5/31/2025	1,379.81	
0	5/16/2025		DD 00001.05.2025	PR		5/31/2025	10,926.57	
0	5/30/2025	Confluence Engineering Group, LLC		AP		5/31/2025	16,084.50	
0	5/30/2025	Internal Revenue Service-ACH		AP			6,664.73	
0	5/30/2025	OR Department of Revenue		AP			2,099.75	
0	5/30/2025		DD 00002.05.2025	PR		5/31/2025	16,548.65	
ACH Disbursement Activity Subtotal						30		355,793.25
Voided ACH Activity								-
Adjusted ACH Disbursement Activity Subtotal						30		355,793.25

Paper Check Disbursement Activity								
Number	Issue Date	Vendor	Comment	Module	Void	Clear Date	Amount	
999	3/14/2025	Christenson, Inc		AP	Void		494.01	
31394	3/3/2025	AFLAC		AP		3/31/2025	203.76	
31395	3/3/2025	Buell Calibration & Controls LLC		AP		3/31/2025	540.00	
31396	3/3/2025	Cascade Columbia Distribution		AP		3/31/2025	14,848.28	
31397	3/3/2025	City of Lake Oswego		AP		3/31/2025	544.79	
31398	3/3/2025	Clackamas River Water District		AP		3/31/2025	74,924.63	
31399	3/3/2025	Hasa, Inc		AP		3/31/2025	3,478.80	
31400	3/3/2025	Hasco Stations, LLC		AP		3/31/2025	126.59	
31401	3/3/2025	NW Natural		AP	Void		16,732.78	
31402	3/3/2025	Portland Engineering Inc.		AP		3/31/2025	11,715.00	
31403	3/3/2025	Team Electric Company		AP		3/31/2025	6,737.00	
31404	3/3/2025	Univar USA Inc		AP		3/31/2025	3,699.98	
31405	3/14/2025	Christenson, Inc		AP		3/31/2025	494.01	
31406	3/14/2025	Cintas Corporation - 463		AP		3/31/2025	123.95	
31407	3/14/2025	Cintas Corporation No. 2		AP		3/31/2025	99.00	
31408	3/14/2025	Erdress-Hauser		AP		3/31/2025	24,786.42	
31409	3/14/2025	Forklift Services of Oregon		AP		3/31/2025	1,475.88	
31410	3/14/2025	Hasco Stations, LLC		AP		3/31/2025	73.58	
31411	3/14/2025	Northwest Natural Holding Company		AP		4/30/2025	16,435.80	
31412	3/14/2025	NW Natural		AP		3/31/2025	505.89	
31413	3/14/2025	Oak Lodge Water Services Authority		AP		3/31/2025	8,000.00	
31414	3/14/2025	Oregon City Garbage Co.		AP		3/31/2025	59.15	
31415	3/14/2025	Portland Engineering Inc.		AP		3/31/2025	2,117.50	
31416	3/14/2025	Special Districts Insurance Sv (SDIS)		AP		4/30/2025	12,180.84	
31417	3/14/2025	Univar USA Inc		AP		3/31/2025	2,899.99	
31418	3/14/2025	Verizon Wireless		AP		3/31/2025	697.37	
31419	3/21/2025	Cintas Corporation - 463		AP		4/30/2025	422.83	
31420	3/21/2025	Clackamas River Water District		AP		3/31/2025	86,575.45	
31421	3/21/2025	Hillsboro Landfill Inc.		AP		3/31/2025	287.00	
31422	3/21/2025	Verizon Wireless		AP		3/31/2025	590.24	
31423	3/28/2025	AFLAC		AP		4/30/2025	203.76	
31424	3/28/2025	Brian Zvaigzne		AP		4/30/2025	1,442.50	
31425	3/28/2025	Christenson Electric, Inc		AP		4/30/2025	494.01	
31426	3/28/2025	Hasa, Inc		AP		4/30/2025	3,402.36	
31427	4/3/2025	AMERICAN WATER WORKS ASSOCIATION (AWWA)		AP		4/30/2025	276.00	
31428	4/3/2025	Team Electric Company		AP		4/30/2025	230.00	
31429	4/3/2025	Univar USA Inc		AP		4/30/2025	235.00	
31430	4/7/2025	Clackamas Community College Foundation		AP		4/30/2025	5,500.00	
31431	4/18/2025	Atlas Copco Compressors Inc		AP		4/30/2025	1,046.66	
31432	4/18/2025	Cascade Columbia Distribution		AP		4/30/2025	10,452.00	
31433	4/18/2025	Cintas Corporation - 463		AP		4/30/2025	123.95	
31434	4/18/2025	Cintas Corporation No. 2		AP		4/30/2025	99.00	
31435	4/18/2025	Clackamas River Water District		AP		4/30/2025	109,080.08	
31436	4/18/2025	Goble Sampson Associates Inc.		AP		4/30/2025	5,890.00	
31437	4/18/2025	Green Wrench Heavy Equipment LLC		AP		4/30/2025	8,870.99	
31438	4/18/2025	Hasco Stations, LLC		AP		4/30/2025	321.15	
31439	4/18/2025	Hillsboro Landfill Inc.		AP		4/30/2025	7.18	
31440	4/18/2025	Larry Potter Landscape Services		AP		4/30/2025	1,640.00	
31441	4/18/2025	NW Natural		AP		4/30/2025	246.40	
31442	4/18/2025	Oregon City Garbage Co.		AP		4/30/2025	59.15	
31443	4/18/2025	Platt Electric		AP		4/30/2025	52.52	
31444	4/18/2025	Portland Engineering Inc.		AP		4/30/2025	1,832.50	
31445	4/18/2025	Special Districts Insurance Sv (SDIS)		AP		4/30/2025	6,158.84	
31446	4/18/2025	Team Electric Company		AP		4/30/2025	1,460.00	

31447	4/18/2025	Univar USA Inc	AP	4/30/2025	2,350.00	
31448	5/2/2025	AFLAC	AP	5/31/2025	203.76	
31449	5/2/2025	Cintas Corporation - 463	AP	5/31/2025	149.44	
31450	5/2/2025	Iris Group Holdings LLC	AP	5/31/2025	1,628.00	
31451	5/2/2025	Northwest Natural Holding Company	AP	5/31/2025	11,168.40	
31452	5/2/2025	Platt Electric	AP	5/31/2025	52.52	
31453	5/2/2025	Pump Dynamics, LLC	AP	5/31/2025	5,623.28	
31454	5/2/2025	Sunrise Water Authority	AP	5/31/2025	44,143.96	
31455	5/2/2025	Team Electric Company	AP	5/31/2025	3,007.00	
31456	5/2/2025	Trotter & Morton - Portland	AP	5/31/2025	4,415.75	
31457	5/2/2025	Verizon Wireless	AP	5/31/2025	217.66	
31458	5/9/2025	Cintas Corporation - 463	AP	5/31/2025	123.95	
31459	5/9/2025	Clackamas River Water District	AP	5/31/2025	125,392.63	
31460	5/9/2025	Forklift Services of Oregon	AP	5/31/2025	2,712.60	
31461	5/9/2025	Hach Company	AP	5/31/2025	3,675.10	
31462	5/9/2025	Hasa, Inc	AP	5/31/2025	3,460.08	
31463	5/9/2025	Hasco Stations, LLC	AP	5/31/2025	105.74	
31464	5/9/2025	Henderson Turf & Wear, Inc.	AP	5/31/2025	1,169.70	
31465	5/9/2025	NW Natural	AP	5/31/2025	206.56	
31466	5/9/2025	Special Districts Insurance Sv (SDIS)	AP	5/31/2025	7,118.68	
31467	5/9/2025	Univar USA Inc	AP	5/31/2025	2,899.99	
31468	5/16/2025	Alexin Analytical Laboratories	AP	5/31/2025	650.00	
31469	5/16/2025	Cascade Columbia Distribution	AP	5/31/2025	278.00	
31470	5/16/2025	Cintas Corporation No. 2	AP	5/31/2025	99.00	
31471	5/16/2025	Green Wrench Heavy Equipment LLC	AP	5/31/2025	13,035.78	
31472	5/16/2025	Oregon City Garbage Co.	AP	5/31/2025	59.15	
31473	5/16/2025	Portland Engineering Inc.	AP	5/31/2025	50.00	
31474	5/22/2025	Cintas Corporation - 463	AP	5/31/2025	149.44	
31475	5/22/2025	Hasco Stations, LLC	AP	5/31/2025	236.23	
31476	5/22/2025	Northwest Natural Holding Company	AP		15,852.96	
31477	5/22/2025	OR Dept of State Lands	AP	5/31/2025	410.00	
31478	5/22/2025	Portland Engineering Inc.	AP	5/31/2025	24,116.93	
31479	5/30/2025	Alumichem Canada Inc.	AP		13,248.00	
31480	5/30/2025	Endress-Hauser	AP		8,468.77	
31481	5/30/2025	Goble Sampson Associates Inc.	AP		781.26	
31482	5/30/2025	Northwest Natural Holding Company	AP		15,306.43	
31483	5/30/2025	Sunrise Water Authority	AP		11,963.33	
31484	5/30/2025	Team Electric Company	AP		11,884.00	
31485	5/30/2025	Univar USA Inc	AP		2,899.99	
31486	5/30/2025	Verizon Wireless	AP		323.61	
Paper Check Disbursement Activity Subtotal					94	790,632.25
Voided Paper Check Disbursement Activity					2	17,226.79
Adjusted Paper Check Disbursement Activity Subtotal					92	773,405.46

Summary of Check by Date Detail inclusive of LGIP ACH Payments

Wells Fargo	Total Void ACH & Check Count:	2.00
Wells Fargo	Total Void ACH & Check Amount:	17,226.79
Wells Fargo	Total Valid ACH & Check Count:	122.00
Wells Fargo	Total Valid ACH & Check Amount:	1,129,198.71
Wells Fargo	Total ACH & Check Count:	124.00
Wells Fargo	Total ACH & Check Amount:	1,146,425.50
LGIP	Total Valid ACH Payment Count	-
LGIP	Total Valid ACH Payment Amount	-
Consolidated	Total Valid ACH & Check Payment Amount	1,129,198.71

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 6.1

- Subject:** Adopt FY2025-26 Budget and Authorize Appropriations
- Presenter(s):** Jamey Pietzold, Budget Officer
- Board Action:** The Board is requested to approve Resolution 2025-3 adopting the approved FY2025-26 Budget and authorizing stated appropriations.
- Attachments:** Resolution 2025-3 Adopting FY2025-26 Budget and Authorizing Stated Appropriations
- Background:** Procedurally, the NCCWC follows 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 2025-26 proposed budget. The Budget Committee unanimously approved the budget on March 27, 2025, as presented. The Board in turn held a Public Hearing to gather input on the approved budget on June 26, 2025. That hearing was properly noticed in the Lake Oswego Review.
- Analysis:** The Board may revise/amend the approved budget prior to adoption within the parameters of ORS 294.456. If proposed changes would result in greater than a 10% change in estimated expenditure for any fund, a new public notice and budget hearing would be required. The Budget Officer recommends the Board adopt the approved FY2025-26 Budget as presented.
- Options:** 1) Amend or adopt budget as presented; 2) Amend/Revise pursuant to ORS 294.456.
- Staff Recommendation:** Adopt Resolution 2025-3 as presented.
- Draft Motion(s):** Move to approve Resolution 2025-3 adopting the approved FY2025-26 Budget in the amount of \$13,211,443 and so authorize the stated appropriations for fiscal year beginning July 1, 2025, as presented.

North Clackamas County Water Commission

RESOLUTION 2025-3

A RESOLUTION OF THE NORTH CLACKAMAS COUNTY WATER COMMISSION ADOPTING THE FY2025-26 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 2025-26 fiscal period; and

WHEREAS, on March 27, 2025, following public notice and meetings thereon, the duly appointed and authorized Budget Committee approved the annual budget proposed for the 2025-26 fiscal period, thereafter held on file at the Commission's office and made available to the public upon request; and

WHEREAS, on June 26, 2025, 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 FY2025-26 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 2025-26 in the total sum of \$13,211,443, recorded on file at the NCCWC's office as required by ORS 294.556.
2. The amounts for the fiscal year beginning July 1, 2025 for the purposes shown below are hereby appropriated as follows:

GENERAL FUND

Personnel	\$ 859,000	
Materials & Services	3,487,000	
Transfers	750,000	
Capital Outlay	-	
Special Payment (PERS)	300,000	
Fund Contingency	<u>500,000</u>	
	Fund Total Appropriation	\$5,896,000
Reserved for Future Expenditure	\$100,000	
Unappropriated Ending fund balance	\$146,559	

PLANT RESERVE FUND

Capital Outlay	\$1,160,000	
Fund Contingency	500,000	
	<u> </u>	
Fund Total Appropriation		\$1,660,000
Reserved for Future Expenditure	\$1,500,000	
Unappropriated Fund Reserve Balance	\$3,908,884	

2025-2026 TOTAL APPROPRIATIONS, All Funds		\$7,556,000
Total Unappropriated and Reserve Amounts, All Funds		\$5,655,443

Total Adopted Budget \$13,211,443

This resolution and its statements are hereby approved and declared DULY ADOPTED this 26th day of June 2025.

By _____
Chris Hawes, Chair

By _____
Wade Hathhorn, General Manager

Attest this 26th day of June 2025

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 6.2

Subject: Approve Resolution 2025-4 Adopting Wholesale Water Rate for FY2025-26

Presenter(s): Jamey Pietzold, Interim Finance Director

Board Action: The Board is requested to adopt Resolution 2025-4 setting the wholesale water rate for FY2025-26

Attachments: Resolution 2025-4 Setting the Wholesale Water Rate for FY2025-26

Background: Following the adoption of the FY 2025-26 approved 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 adjust for actual costs and demand as compared to estimates.

In 2017, the Board establish a uniform unit pricing structure for wholesale water based on the total operating requirements plus funding of the plant reserve (i.e. total costs) and total demand.

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

Total Operating Expenditures	\$4,346,000
Less Wholesale Water Purchases	<1,496,000>
Less One-time Special Expense	<100,000>
Plant Reserve Funding	750,000
Special Payment (PERS)	300,000
Less Use Beginning Fund Balance	<312,500>
Adjusted Requirements	\$3,487,500
Estimated Demand (units as 100 cubic feet)	
Oak Lodge	1,375,000
Gladstone	725,000
Sunrise	<u>1,775,000</u>
Total	3,875,000 ccf
Estimated Unit Cost	\$0.9000 per ccf

This represents a 5.3% change in price from last year (\$0.045 per ccf)

Options: N/A

Draft Motion: Move to adopt Resolution 2025-4 setting the wholesale rate for FY 2025-26.

NORTH CLACKAMAS COUNTY WATER COMMISSION

Resolution No. 2025-4

**A RESOLUTION SETTING WHOLESALE WATER RATE
FOR FISCAL YEAR 2025-2026**

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, 2025 through June 30, 2026, the new wholesale water rate charged to member agencies is:

\$0.900 per 100 cubic feet (CCF)

Approved by the Board of Director's on this 26th day of June 2025.

By _____
Chris Hawes, Chair

By _____
Wade Hathhorn, General Manager

Attest this 26th day of June 2025.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 6.3

Subject: Initiate FY2024-25 Audit

Presenter(s): Jamey Pietzold, Interim Finance Director

Board Action: Receive NCCWC's FY2024-25 Audit Engagement Letter

Attachments: Audit Services Engagement Letter (FY2024-25 Audit)

Background: Moss Adams has historically served as the preferred independent accounting firm to conduct the annual audit for the North Clackamas County Water Commission (NCCWC). In June 2025, Moss Adams merged with Baker Tilly. As a result of this merger, beginning with the fiscal year 2025 audit, Baker Tilly will serve as the NCCWC's independent audit firm.

Analysis: The annual audit is a legal requirement and a vital process that provides an independent assessment of NCCWC's financial compliance, offering an opinion on the material accuracy of financial statements and the effectiveness of internal controls.

Options: N/A

Staff

Report: The Board is presented with a copy of the audit engagement letter for formal record.



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June 20, 2025

Wade Hathhorn
North Clackamas County Water Commission
17563 SE Armstrong Ct
Happy Valley, OR 97015

Re: Audit Services

Dear Mr. Hathhorn:

Thank you for the opportunity to provide services to North Clackamas County Water Commission. This engagement letter ("Engagement Letter") and the attached Professional Services Agreement, which is incorporated by this reference (collectively, the "Agreement"), confirm our acceptance and understanding of the terms and objectives of our engagement, and limitations of the services that Baker Tilly US, LLP ("Firm," "we," "us," and "our") will provide to North Clackamas County Water Commission ("you," "your," and "Commission").

Scope of Services – Audit

You have requested that we audit the Commission's financial statements, which comprise the statements of net position as of June 30, 2025, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements. We will also report on whether the combining balance sheet – all funds, the combining schedule of revenues, expenditures, other financing sources and uses and changes in fund balance – actual and budget, and the schedule of revenues, expenditures, other financing sources and uses and changes in fund balance – actual and budget, presented as supplementary information, are fairly stated, in all material respects, in relation to the financial statements as a whole.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information ("RSI"), such as management's discussion and analysis, to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Commission's RSI in accordance with auditing standards generally accepted in the United States of America. We will not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance. The following RSI will be subjected to certain limited procedures, but will not be audited:

- 1) Management's discussion and analysis
- 2) Schedule of proportionate share of the net pension liability
- 3) Schedule of contributions



Wade Hatthorn
North Clackamas County Water Commission
June 20, 2025
Page 2 of 3

Timing

Keith Simovic is responsible for supervising the engagement and authorizing the signing of the report. We expect to begin our audit on approximately September 15, 2025 complete fieldwork on approximately September 26, 2025, and issue our report no later than December 2025. As we reach the conclusion of the audit, we will coordinate with you the date the audited financial statements will be available for issuance. You understand that (1) you will be required to consider subsequent events through the date the financial statements are available for issuance, (2) you will disclose in the notes to the financial statements the date through which subsequent events have been considered, and (3) the subsequent event date disclosed in the footnotes will not be earlier than the date of the management representation letter and the date of the report of independent auditors.

Our scheduling depends on your completion of the year-end closing and adjusting process prior to our arrival to begin the fieldwork. We may experience delays in completing our services due to your staff's unavailability or delays in your closing and adjusting process. You understand our fees are subject to adjustment if we experience these delays in completing our services.

Fees

We estimate that our fees for the services will be in the range of \$41,000 to \$46,000. You will also be billed for expenses.

In addition to fees, we will charge you for expenses. Our invoices include a flat expense charge, calculated as five percent (5%) of fees, to cover expenses such as copying costs, postage, administrative billable time, report processing fees, filing fees, and technology expenses. Travel expenses and client meals/entertainment expenses will be billed separately and are not included in the 5% charge.

Our ability to provide services in accordance with our estimated fees depends on the quality, timeliness, and accuracy of the Commission's records, and, for example, the number of general ledger adjustments required as a result of our work. To assist you in this process, we will provide you with a Client Audit Preparation Schedule that identifies the key work you will need to perform in preparation for the audit. We will also need your accounting staff to be readily available during the engagement to respond in a timely manner to our requests. Lack of preparation, poor records, general ledger adjustments, and/or untimely assistance will result in an increase of our fees.

Reporting

We will issue a written report upon completion of our audit of the Commission's financial statements. Our report will be addressed to the Board of Commissioners of the Commission. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. Our services will be concluded upon delivery to you of our report on your financial statements for the year ended June 30, 2025.



Wade Hathorn
North Clackamas County Water Commission
June 20, 2025
Page 3 of 3

We also will issue a written report on compliance and internal control over financial reporting based on an audit of financial statements in accordance with Oregon Audit Standards upon completion of our audit.

We appreciate the opportunity to be of service to you. If you agree with the terms of our engagement as set forth in the Agreement, please sign the enclosed copy of this letter and return it to us with the Professional Services Agreement.

Very truly yours,

Baker Tilly US, LLP

Baker Tilly US, LLP

Enclosures

Accepted and Agreed:

This Engagement Letter and the attached Professional Services Agreement set forth the entire understanding of North Clackamas County Water Commission with respect to this engagement and the services to be provided by the Firm:

Signed by: _____
Signature: Wade Hathorn
E0EBD79D60054C1...
Print Name: Wade Hathorn
Title: General Manager
Date: 6/23/2025

Client: #658835
v. 06/04/2025

PROFESSIONAL SERVICES AGREEMENT

Audit and Nonattest Services

This Professional Services Agreement (the "PSA") together with the Engagement Letter, which is hereby incorporated by reference, represents the entire agreement (the "Agreement") relating to services that the Firm will provide to the Commission. Any undefined terms in this PSA shall have the same meaning as set forth in the Engagement Letter.

Objectives of the Audit

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our audit are also to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The Auditor's Responsibility

We will conduct our audit in accordance with U.S. GAAS. As part of an audit conducted in accordance with U.S. GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control or to identify deficiencies in the design or operation of internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time

The supplementary information will be subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Procedures and Limitations

Our procedures may include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain receivables and certain other assets, liabilities and transaction details by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and supplementary information and related matters. Management's failure to provide representations to our satisfaction will preclude us from issuing our report.

An audit includes examining evidence, on a test basis, supporting the amounts and disclosures in the financial statements. Therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Material misstatements may include errors, fraudulent financial reporting, misappropriation of assets, or noncompliance with the provisions of laws or regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity that may have a direct financial statement impact. Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements and noncompliance may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS. An audit is not designed to detect immaterial misstatements or noncompliance with the provisions of laws or regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors, fraudulent financial reporting, misappropriation of assets, and noncompliance with the provisions of laws or regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any time period for which we are not engaged as auditors.

We may assist management in the preparation of the Commission's financial statements and supplementary information. Regardless of any assistance we may render, all information included in the financial statements and supplementary information remains the representation of management. We may issue a preliminary draft of the financial statements and supplementary information to you for your review. Any preliminary draft financial statements and supplementary information should not be relied upon, reproduced, or otherwise distributed without the written permission of the Firm.

Management's Responsibility for Financial Statements

As a condition of our engagement, management acknowledges and understands that management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. We may advise management about appropriate accounting principles and their application and may assist in the preparation of your financial statements, but management remains responsible for the financial statements. Management also acknowledges and understands that management is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud. This responsibility includes the maintenance of adequate records, the selection and application of accounting principles, and the safeguarding of assets. You are responsible for informing us about all known or suspected fraud affecting the Commission involving: (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. You are responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Commission received in communications from employees, former employees, regulators or others. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole. Management is also responsible for identifying and ensuring that the Commission complies with applicable laws and regulations.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management agrees that as a condition of our engagement, management will provide us with:

- access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, whether obtained from within or outside of the general and subsidiary ledgers (including all information relevant to the preparation and fair presentation of disclosures), such as records, documentation, and other matters;
- additional information that we may request from management for the purpose of the audit; and
- unrestricted access to persons within the Commission from whom we determine it necessary to obtain audit evidence.

Management's Responsibility to Notify Us of Affiliates

Our professional standards require that we remain independent of the Commission as well as any "affiliate" of the Commission. Professional standards define an affiliate as follows:

- a fund, component unit, fiduciary activity or entity that the Commission is required to include or disclose, and is included or disclosed in its basic financial statements, in accordance with generally accepted accounting principles (U.S. GAAP);

- a fund, component unit, fiduciary activity or entity that the Commission is required to include or disclosed in its basic financial statements in accordance with U.S. GAAP, which is material to the Commission but which the Commission has elected to exclude, and for which the Commission has more than minimal influence over the entity's accounting or financial reporting process;
- an investment in an investee held by the Commission or an affiliate of the Commission, where the Commission or affiliate controls the investee, excluding equity interests in entities whose sole purpose is to directly enhance the Commission's ability to provide government services;
- an investment in an investee held by the Commission or an affiliate of the Commission, where the Commission or affiliate has significant influence over the investee and for which the investment is material to the Commission's financial statements, excluding equity interests in entities whose sole purpose is to directly enhance the Commission's ability to provide government services

In order to fulfill our mutual responsibility to maintain auditor independence, you agree to notify the Firm of any known affiliate relationships, to the best of your knowledge and belief. Additionally, you agree to inform the Firm of any known services provided or relationships between affiliates of the Commission and the Firm or any of its employees or personnel.

Management's Responsibility for Supplementary Information

Management is responsible for the preparation of the supplementary information in accordance with the applicable criteria. Management agrees to include the auditor's report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information. Management is responsible to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon. For purposes of this Agreement, audited financial statements are deemed to be readily available if a third party user can obtain the audited financial statements without any further action by management. For example, financial statements on your Web site may be considered readily available, but being available upon request is not considered readily available.

Other Information Included in an Annual Report

When financial or nonfinancial information, other than financial statements and the auditor's report thereon, is included in an entity's annual report, management is responsible for that other information. Management is also responsible for providing the document(s) that comprise the annual report to us as soon as it is available.

Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the audited financial statements. If we identify that a material inconsistency or misstatement of the other information exists, we will discuss it with you; if it is not resolved U.S. GAAS requires us to take appropriate action.

Key Audit Matters

U.S. GAAS does not require the communication of key audit matters in the audit report unless engaged to do so. You have not engaged us to report on key audit matters, and the Agreement does not contemplate the Firm providing any such services. You agree we are under no obligation to communicate key audit matters in the auditor's report.

If you request to engage the Firm to communicate key audit matters in the auditor's report, before accepting the engagement we would discuss with you the additional fees to provide any such services, and the impact to the timeline for completing the audit.

Dissemination of Financial Statements

Our report on the financial statements must be associated only with the financial statements that were the subject of our engagement. You may make copies of our report, but only if the entire financial statements (including related footnotes and supplementary information, as appropriate) are reproduced and distributed with our report. You agree not to reproduce or associate our report with any other financial statements, or portions thereof, that are not the subject of this engagement.

Offering of Securities

This Agreement does not contemplate the Firm providing any services in connection with the offering of securities, whether registered or exempt from registration, and the Firm will charge additional fees to provide any such services. You agree not to incorporate or reference our report in a private placement or other offering of your equity or debt securities without our express written permission. You further agree we are under no obligation to reissue our report or provide written permission for the use of our report at a later date in connection with an offering of securities, the issuance of debt instruments, or for any other circumstance. We will determine, at our sole discretion, whether we will reissue our report or provide written permission for the use of our report only after we have conducted any procedures we deem necessary in the circumstances. You agree to provide us with adequate time to review documents where (a) our report is requested to be reissued, (b) our report is included in the offering document or referred to therein, or (c) reference to our firm is expected to be made. If we decide to reissue our report or provide written permission to the use of our report, you agree that the Firm will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to reissue our report or withhold our written permission to use our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our engagement documentation for those periods, we are under no obligation to permit such access.

Changes in Professional or Accounting Standards

To the extent that future federal, state, or professional rule-making activities require modification of our audit approach, procedures, scope of work, etc., we will advise you of such changes and the impact on our fee estimate. If we are unable to agree on the additional fees, if any, that may be required to implement any new accounting and auditing standards that are required to be adopted and applied as part of our engagement, we may terminate this Agreement as provided herein, regardless of the stage of completion.

Representations of Management

During the course of our engagement, we may request information and explanations from management regarding, among other matters, the Commission's operations, internal control, future plans, specific transactions, and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide us with a written representation letter confirming some or all of the representations made during the engagement. The procedures that we will perform in our engagement will be heavily influenced by the representations that we receive from management. Accordingly, false representations could cause us to expend unnecessary efforts or could cause a material error or fraud to go undetected by our procedures. In view of the foregoing, you agree that we will not be responsible for any misstatements in the Commission's financial statements and supplementary information that we fail to detect as a result of false or misleading representations, whether oral or written, that are made to us by the Commission's management. While we may assist management in the preparation of the representation letter, it is management's responsibility to carefully review and understand the representations made therein.

In addition, because our failure to detect material misstatements could cause others relying upon our audit report to incur damages, the Commission further agrees to indemnify and hold us harmless from any liability and all costs (including legal fees) that we may incur in connection with claims based upon our failure to detect material misstatements in the Commission's financial statements and supplementary information resulting in whole or in part from knowingly false or misleading representations made to us by any member of the Commission's management.

Fees and Expenses

The Commission acknowledges that the following circumstances will result in an increase of our fees:

- Failure to prepare for the audit as evidenced by accounts and records that have not been subject to normal year-end closing and reconciliation procedures;
- Failure to complete the audit preparation work by the applicable due dates;
- Significant unanticipated transactions, audit issues, or other such circumstances;
- Delays causing scheduling changes or disruption of fieldwork;
- After audit or post fieldwork circumstances requiring revisions to work previously completed or delays in resolution of issues that extend the period of time necessary to complete the audit;
- Issues with the prior audit firm, prior year account balances or report disclosures that impact the current year engagement; and
- An excessive number of audit adjustments.

We will endeavor to advise you in the event these circumstances occur, however we may be unable to determine the impact on the estimated fee until the conclusion of the engagement. We will bill any additional amounts based on the experience of the individuals involved and the amount of work performed.

Billings are due upon presentation and become delinquent if not paid within 30 days of the invoice date. Any past due fee under this Agreement shall bear interest at the highest rate allowed by law on any unpaid balance. In addition to fees, you may be billed for expenses and any applicable sales and gross receipts tax. Direct expenses may be charged based on out-of-pocket expenditures, per diem allotments, and mileage reimbursements, depending on the nature of the expense. Indirect expenses, such as processing time and technology expenses, may be passed through at our estimated cost and may be billed as a flat charge or a percentage of fees. If we elect to suspend our engagement for nonpayment, we may not resume our work until the account is paid in full. If we elect to terminate our services for nonpayment, or as otherwise provided in this Agreement, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our work. You will be obligated to compensate us for fees earned for services rendered and to reimburse us for expenses. You acknowledge and agree that in the event we stop work or terminate this Agreement as a result of your failure to pay on a timely basis for services rendered by the Firm as provided in this Agreement, or if we terminate this Agreement for any other reason, we shall not be liable to you for any damages that occur as a result of our ceasing to render services.

Commission Information

All information provided by you or on your behalf ("Commission Information") will be accurate and complete. You represent the provision of Commission Information to us will not infringe any intellectual property, privacy, proprietary, or other third-party rights. You also represent that you have obtained all necessary consents and have provided all necessary notifications to the extent required by applicable law in connection with the provision of Commission Information to us. The Firm will use at least the same degree of care to protect the confidentiality of Commission Information as it employs in maintaining in confidence its own confidential information of a similar nature, but in no event less than a reasonable degree of care. The Firm will not disclose Commission Information to any third party without your consent, except we may disclose Commission Information: (1) as required by law or regulation, or to respond to governmental inquiries, or in accordance with applicable professional standards or rules, or in connection with litigation or arbitration pertaining hereto; (2) to the extent such information (i) is or becomes publicly available other than as the result of a disclosure in breach hereof, (ii) becomes available to the Firm on a nonconfidential basis from a source that the Firm believes is not prohibited from disclosing such information to the Firm, or (iii) is already known by the Firm without any obligation of confidentiality with respect thereto; (3) to contractors providing administrative, infrastructure, and other support services to the Firm and subcontractors providing services in connection with this engagement, in each case, whether located within or outside of the United States, provided that such contractors and subcontractors have agreed to be bound by confidentiality obligations related to Commission Information; or (4) as otherwise permitted under this Agreement. This paragraph replaces and supersedes any prior confidentiality or non-disclosure agreements entered into by the Firm or its affiliates with respect to Commission Information.

Data Privacy and Security

To the extent the Services require the Firm to receive personal data or personal information from Commission, the Firm may process, and engage subcontractors to assist with processing, any personal data or personal information, as those terms are defined in applicable privacy laws, and such processing shall be in accordance with the requirements of the applicable privacy laws relevant to the processing in providing Services hereunder, including Services performed to meet the business purposes of the Commission, such as the Firm's tax, advisory, and other consulting services. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which the Firm or its clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. The Firm is acting as a Service Provider/Data Processor, as those terms are defined respectively under the CCPA/GDPR, in relation to Commission personal data and personal information. As a Service Provider/Data Processor processing personal data or personal information on behalf of Commission, the Firm shall, unless otherwise permitted by applicable privacy law, (a) follow Commission instructions; (b) not sell personal data or personal information collected from the Commission or share the personal data or personal information for purposes of targeted advertising; (c) process personal data or personal information solely for purposes related to the Commission's engagement and not for the Firm's own commercial purposes; and (d) cooperate with and provide reasonable assistance to Commission to ensure compliance with applicable privacy laws. Commission is responsible for notifying the Firm of any applicable privacy laws the personal data or personal information provided to the Firm is subject to, and Commission represents and warrants it has all necessary authority (including any legally required consent from individuals) to transfer such information and authorize the Firm to process such information in connection with the Services described herein. Commission further understands the Firm, Baker Tilly Advisory Group, LP and Moss Adams Advisory Group, LP and their affiliated entities (collectively, the "Firm Entities") may co-process Commission data as necessary to perform the Services, pursuant to the alternative practice structure in place among the entities, and by executing this Agreement, you hereby consent to the sharing of Commission data, Commission files, workpapers and work product with such Firm Entities. Baker Tilly Advisory Group, LP maintains custody of client files for the Firm. The Firm Entities are bound by the same confidentiality obligations as the Firm. The Firm is responsible for notifying Commission if the Firm becomes aware that it can no longer comply with any applicable privacy law and, upon such notice, shall permit Commission to take reasonable and appropriate steps to remediate personal data or personal information processing. Commission agrees that the Firm Entities have the right to utilize Commission data to improve internal processes and procedures and to generate aggregated/de-identified data from the data provided by Commission to be used for the Firm Entities' business purposes and with the outputs owned by the Firm Entities. For clarity, the Firm Entities will only disclose aggregated/de-identified data in a form that does not identify Commission, Commission employees, or any other individual or business entity and that is stripped of all persistent identifiers. Commission is not responsible for the Firm Entities' use of aggregated/de-identified data.

The Firm has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations and other information security related system requirements. Such requirements are documented in the Firm's policies and procedures. Information security policies have been implemented that define our approach to how systems and data are protected. Commission is responsible for providing timely written notification to the Firm of any additions, changes or removals of access for Commission personnel to the Firm provided systems or applications. If Commission becomes aware of any known or suspected information security or privacy related incidents or breaches related to this Agreement, Commission should timely notify the Firm via email at dataprotectionofficer@bakertilly.com.

Subpoena or Other Release of Documents

As a result of our services to you, we may be required or requested to provide information or documents to you or a third-party in connection with governmental regulations or activities, or a legal, arbitration or administrative proceeding (including a grand jury investigation), in which we are not a party. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate to protect information from discovery. If you take no action within the time permitted for us to respond or if your action does not result in a judicial order protecting us from supplying requested information, we will construe your inaction or failure as consent to comply with the request. Our efforts in complying with such requests or demands will be deemed a part of this engagement and we shall be entitled to additional compensation for our time and reimbursement for our out-of-pocket expenditures (including legal fees) in complying with such request or demand.

Document Retention Policy

At the conclusion of this engagement, we will return to you all original records you supplied to us. Your Commission records are the primary records for your operations and comprise the backup and support for the results of this engagement. Our records and files, including our engagement documentation whether kept on paper or electronic media, are our property and are not a substitute for your own records. Our firm policy calls for us to destroy our engagement files and all pertinent engagement documentation after a retention period of seven years (or longer, if required by law or regulation), after which time these items will no longer be available. We are under no obligation to notify you regarding the destruction of our records. We reserve the right to modify the retention period without notifying you. Catastrophic events or physical deterioration may result in our firm's records being unavailable before the expiration of the above retention period.

Except as set forth above, you agree that the Firm may destroy paper originals and copies of any documents, including, without limitation, correspondence, agreements, and representation letters, and retain only digital images thereof.

Use of Electronic Communication

In the interest of facilitating our services to you, we may communicate by facsimile transmission or send electronic mail over the Internet. Such communications may include information that is confidential. We employ measures in the use of electronic communications designed to provide reasonable assurance that data security is maintained. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept we have no control over the unauthorized interception of these communications once they have been sent. Unless you issue specific instructions to do otherwise, we will assume you consent to our use of electronic communications to your representatives and other use of these electronic devices during the term of this Agreement as we deem appropriate.

Enforceability

In the event that any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of this Agreement.

Entire Agreement

This Professional Services Agreement and Engagement Letter constitute the entire agreement and understanding between the Firm and the Commission. The Commission agrees that in entering into this Agreement it is not relying and has not relied upon any oral or other representations, promise or statement made by anyone which is not set forth herein.

In the event the parties fail to enter into a new Agreement for each subsequent calendar year in which the Firm provides services to the Commission, the terms and conditions of this PSA shall continue in force until such time as the parties execute a new written agreement or terminate their relationship, whichever occurs first.

Use of the Firm's Name

The Commission may not use any of the Firm's or its affiliates' names, trademarks, service marks or logos in connection with the services contemplated by this Agreement or otherwise without the prior written permission of the Firm, which permission may be withheld for any or no reason and may be subject to certain conditions.

Use of Nonlicensed Personnel

Certain engagement personnel who are not licensed as certified public accountants may provide services during this engagement.

Resolution of Disagreements

In the unlikely event that differences concerning services, fees, this Agreement or any services subsequently provided to Commission by the Firm should arise ("Dispute(s)") that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the Dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation, and the parties shall share equally in the mediator's fees and expenses.

If mediation does not settle the Dispute, then the parties agree that the Dispute shall be settled by binding arbitration to be initiated by the party seeking damages or other permitted relief in any form (the "Claimant"). The arbitration proceeding shall take place in the city in which the Firm office providing the services in Dispute is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the Arbitration Rules for Professional Accounting and Related Disputes of the AAA (the "Rules") as amended and effective February 1, 2015, except that no prehearing discovery shall be permitted unless specifically authorized by the arbitrator. Any issue concerning the extent to which the Dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a panel of three (3) arbitrators, with experience in accounting and auditing matters or resolving accounting and auditing matters. In the thirty (30) days after the arbitration is initiated, the parties shall attempt to mutually agree on the three (3) arbitrators, including one arbitrator who will serve as chair of the panel, and all of whom may be selected from AAA, JAMS, the Center for Public Resources, or any other internationally or nationally-recognized organization mutually agreed upon by the parties. If the parties cannot agree on a panel of three (3) arbitrators within the thirty (30) day period, the three (3) arbitrators shall be selected according to Rules A-16(a) and (b) of the Rules except that the AAA shall send an identical list of fifteen (15) names to the parties to the arbitration. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with this Agreement or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrators upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrators shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any Dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrators shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Agreement, and shall have no power to decide the Dispute in any manner not consistent with such limitations period. The arbitrators shall be empowered to interpret the applicable statutes of limitations subject to the choice of law provision set forth herein.

However, in the event of a receivership or delinquency proceeding commenced against the Commission, the mediation or arbitration agreement may operate at the option of the Department of Justice or may be disavowed by the statutory receiver.

Limitations

IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR OTHERWISE ARISING OUT OF THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT.

THE LIABILITY (INCLUDING ATTORNEY'S FEES AND ALL OTHER COSTS) OF THE FIRM AND ITS PRESENT OR FORMER PARTNERS, PRINCIPALS, AGENTS OR EMPLOYEES RELATED TO ANY CLAIM FOR DAMAGES RELATING TO THE SERVICES PERFORMED UNDER THIS AGREEMENT SHALL NOT EXCEED THE FEES PAID TO THE FIRM FOR THE PORTION OF THE WORK TO WHICH THE CLAIM RELATES, EXCEPT TO THE EXTENT FINALLY DETERMINED TO HAVE RESULTED FROM THE WILLFUL MISCONDUCT OR FRAUDULENT BEHAVIOR OF THE FIRM RELATING TO SUCH SERVICES. THIS LIMITATION OF LIABILITY IS INTENDED TO APPLY TO THE FULL EXTENT ALLOWED BY LAW, REGARDLESS OF THE GROUNDS OR NATURE OF ANY CLAIM ASSERTED, INCLUDING THE NEGLIGENCE OF EITHER PARTY.

EACH PARTY FURTHER AGREES THAT ANY LEGAL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ARISES.

Termination

This Agreement may be terminated by either party, with or without cause, upon ten (10) days' written notice. In such event, we will stop providing services hereunder except on work, mutually agreed upon in writing, necessary to carry out such termination. In the event of termination: (a) you shall pay us for services provided and expenses incurred through the effective date of termination, (b) we will provide you with all finished reports that we have prepared pursuant to this Agreement, (c) neither party shall be liable to the other for any damages that occur as a result of our ceasing to render services, and (d) we will require any new accounting firm that you may retain to execute access letters satisfactory to the Firm prior to reviewing our files.

Hiring of Employees

Any offer of employment to members of the audit team prior to issuance of our report may impair our independence, and as a result, may result in our inability to complete the engagement and issue a report.

No Legal Advice Provided

The services performed under this Agreement do not include the provision of legal advice and the Firm makes no representations regarding questions of legal interpretation. You should consult with your attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

Alternative Practice Structure: Baker Tilly International

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP and its subsidiary entities provide professional services through an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations and professional standards. Baker Tilly US, LLP is a licensed independent CPA firm that provides attest services to clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and business advisory services to their clients. Baker Tilly Advisory Group, LP and its subsidiary entities are not licensed CPA firms.

Baker Tilly Advisory Group, LP and its subsidiaries and Baker Tilly US, LLP, trading as Baker Tilly, are independent members of Baker Tilly International. Baker Tilly International Limited is an English Commission. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP are not Baker Tilly International's agents and do not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Advisory Group, LP, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

Certificate Of Completion

Envelope Id: EC72BEAF-0647-4993-9C9C-273A73A7A76E	Status: Completed
Subject: Complete with Docusign: NCCWC Engagement Letter.pdf	
Source Envelope:	
Document Pages: 12	Signatures: 1
Certificate Pages: 4	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Jamey Pietzold
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	jpietzold@sunrisewater.com
	IP Address: 198.236.195.51

Record Tracking

Status: Original	Holder: Jamey Pietzold	Location: DocuSign
6/23/2025 8:32:51 AM	jpietzold@sunrisewater.com	

Signer Events

Wade Hathhorn
whathhorn@sunrisewater.com
General Manager
Sunrise Water Authority
Security Level: Email, Account Authentication (None)

Signature

Signed by:

E0EBD79D60054C1...
Signature Adoption: Pre-selected Style
Using IP Address: 198.236.195.51

Timestamp

Sent: 6/23/2025 8:38:17 AM
Viewed: 6/23/2025 8:43:33 AM
Signed: 6/23/2025 8:43:42 AM

Electronic Record and Signature Disclosure:
Accepted: 6/23/2025 8:43:33 AM
ID: 068aa490-028b-4b76-9538-c4f502eaf7ec

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	6/23/2025 8:38:17 AM
Certified Delivered	Security Checked	6/23/2025 8:43:33 AM
Signing Complete	Security Checked	6/23/2025 8:43:42 AM
Completed	Security Checked	6/23/2025 8:43:42 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Sunrise Water Association (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Sunrise Water Association:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: cwolff@sunrisewater.com

To advise Sunrise Water Association of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at cwolff@sunrisewater.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from Sunrise Water Association

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to cwolff@sunrisewater.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Sunrise Water Association

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to cwolff@sunrisewater.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Sunrise Water Association as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Sunrise Water Association during the course of your relationship with Sunrise Water Association.

To the Board of Commissioners
North Clackamas County Water Commission
14496 SE River Road
Oak Grove, OR 97267

In connection with our engagement to audit the financial statements of North Clackamas County Water Commission (the “Commission”) as of and for the year ended June 30, 2025, professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit. If requested, we would also appreciate the opportunity to meet with you to discuss this information further since two-way communication can provide valuable information in the audit process.

As stated in our engagement letter dated June 20, 2025, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility for the supplementary information accompanying the financial statements is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or regulations that are attributable to the Commission or to acts by management or employees acting on behalf of the Commission. We will communicate to you at the conclusion of our audit, significant matters that we believe are relevant to your responsibilities in overseeing the financial reporting process, including any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately September 15, 2025, complete fieldwork on approximately September 26, 2025, and issue our report no later than December 2025.

During the planning of the audit we have identified the following significant risk areas:

- Management override of controls

Your client service team includes:

Keith Simovic – Principal and Engagement Reviewer
Olga Darlington – Principal and Concurring Reviewer
Laurel Braschayko – Senior Manager
Alden Battaglia – Senior
RJ Stretch – Senior

This information is intended solely for the information and use of the Board of Commissioners and management of North Clackamas County Water Commission and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

Baker Tilly US, LLP

Portland, Oregon
June 23, 2025

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 7.1

Subject: Financial Reports (Period March, April, & May 2025)

Presenter(s): Jamey Pietzold, Interim Finance Director

Board Action: Review

Attachments:

FY 2024-25

- Monthly Water Production and Cost Summary March 2025
- Monthly Water Production and Cost Summary April 2025
- Monthly Water Production and Cost Summary May 2025
- FYTD Water Production and Cost Summary
- FYTD Water Sales FY2024-25 and Comparison to FY2023-24
- Budget to Actuals Report FY2024-25 Period 09 March 2025
- Budget to Actuals Report FY2024-25 Period 10 April 2025
- Budget to Actuals Report FY2024-25 Period 11 May 2025

Background: A summary of financial reports is presented for review.

Analysis: FY 2024-25 Revenue & Expenditure as of May 2025:

Water Sales	Budget	Budget to Date	Actuals	BTD vs Actuals
OLWS	\$ 1,152,000	\$ 1,056,000	\$ 1,031,735	\$ (24,265)
Gladstone	589,000	539,917	559,775	19,858
SWA	1,408,000	1,290,667	1,255,359	(35,308)
CRW	15,000	13,750	12,134	(1,616)
	<u>\$ 3,164,000</u>	<u>\$ 2,900,334</u>	<u>\$ 2,859,002</u>	<u>\$ (41,332)</u>
		90.4%		

Wholesale Water Sales

From CRW	1,400,000	1,283,333	1,261,117	\$ (22,216)
		90.1%		

Expenditures	Budget	Budget to Date	Actuals	BTD vs Actuals
Personnel Services	\$ 714,000	\$ 654,500	\$ 445,565	\$ (208,935)
Materials & Services	3,170,900	2,906,658	2,814,730	(91,928)
Capital Outlay	995,000	912,083	183,019	(729,064)
	<u>\$ 4,879,900</u>	<u>\$ 4,473,241</u>	<u>\$ 3,443,314</u>	<u>\$ (1,029,927)</u>
		70.6%		

Options: NA

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Staff

Recommendation: Review financial statements as presented.

Draft Motion: None required. Chair should acknowledge receipt of the financial reports for the following periods:

- FY 2024-25
 - March 2025
 - April 2025
 - May 2025

NCCWC Monthly Water Production and Cost Summary -

March 2025

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Average Daily Production (MG)	6.72	4.35	0.02	2.35

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Water Production/Purchases (MG)	208.33	134.92	0.48	72.93
Water Production/Purchases (ccf) (divide MG by 0.000748)	278,514	180,374	636	97,504

NCCWC Expenditures (\$):

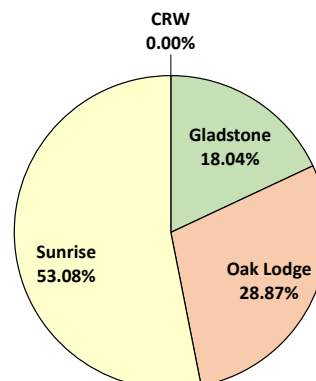
		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 29,995	\$ 29,995	\$ -	\$ -
Electricity	\$ 44,500	\$ 44,500	\$ -	\$ -
Water Treatment	\$ 6,537	\$ 6,537	\$ -	\$ -
Other - Material & Services	\$ 18,391	\$ 18,391	\$ -	\$ -
Capital Outlay	\$ - (In Transfers)	\$ -	\$ -	\$ -
Special Payments-PERS	\$ - (Excluded - From Beg. Balance)	\$ -	\$ -	\$ -
Transfer	\$ 100,000 (Excludes Debt Service Transfer)	\$ 100,000	\$ -	\$ -
Administration:				
Contracted Services	\$ (16,436)	\$ (16,436)	\$ -	\$ -
Professional Services	\$ -	\$ -	\$ -	\$ -
Wholesale Purchases	\$ 86,575	\$ -	\$ -	\$ 86,575
Total Requirements w/out Debt	\$ 269,564	\$ 182,988	\$ -	\$ 86,575
Cost w/out Debt: \$(ccf):	\$ 0.9679	\$ 1.0145	\$ -	\$ 0.8879

VOLUME PURCHASED:

		<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	203.58	36.74	58.78	108.06	-
Water Sales (ccf)	272,163	49,111	78,584	144,468	-
% Water Sales per Entity (ccf)	100%	18.04%	28.87%	53.08%	0.00%

GLAD Rate	\$ 0.85500	41,989.91			
OLWD Rate	\$ 0.85500		67,189.32		
SWA Rate	\$ 0.85500			\$40,154	
CRW Water Rate 1	\$ 1.11860			\$109,080	\$0
SFWB Rate	\$ 1.17930				
Monthly Weighted Avg Cost	\$ 0.94950				
Monthly Gain/(Loss) w/out Debt	\$ (0.01836)				

Monthly Sales By Customer



NCCWC Monthly Water Production and Cost Summary -

April 2025

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Average Daily Production (MG)	8.12	5.33	(0.01)	2.79

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Water Production/Purchases (MG)	243.68	160.01	(0.18)	83.84
Water Production/Purchases (ccf) (divide MG by 0.000748)	325,769	213,917	(235)	112,087

NCCWC Expenditures (\$):

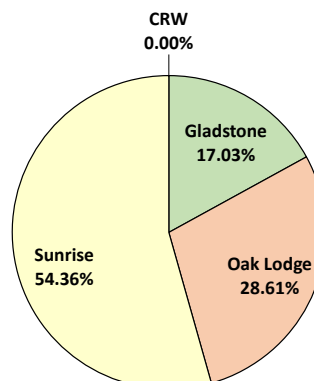
		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 37,648	\$ 37,648	\$ -	\$ -
Electricity	\$ 89,656	\$ 89,656	\$ -	\$ -
Water Treatment	\$ 22,037	\$ 22,037	\$ -	\$ -
Other - Material & Services	\$ 46,932	\$ 46,932	\$ -	\$ -
Capital Outlay	\$ - (In Transfers)	\$ -	\$ -	\$ -
Special Payments-PERS	\$ - (Excluded - From Beg. Balance)	\$ -	\$ -	\$ -
Transfer	\$ 400,000 (Excludes Debt Service Transfer)	\$ 400,000	\$ -	\$ -
Administration:				
Contracted Services	\$ 58,875	\$ 58,875	\$ -	\$ -
Professional Services	\$ -	\$ -	\$ -	\$ -
Wholesale Purchases	\$ 234,473	\$ -	\$ -	\$ 234,473
Total Requirements w/out Debt	\$ 889,620	\$ 655,147	\$ -	\$ 234,473
Cost w/out Debt: \$(ccf):	\$ 2.7308	\$ 3.0626	\$ -	\$ 2.0919

VOLUME PURCHASED:

		<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	238.55	40.62	68.26	129.67	-
Water Sales (ccf)	318,917	54,305	91,251	173,361	-
% Water Sales per Entity (ccf)	100%	17.03%	28.61%	54.36%	0.00%

GLAD Rate	\$ 0.85500	46,430.78			
OLWD Rate	\$ 0.85500		78,019.61		
SWA Rate	\$ 0.85500			\$40,154	
CRW Water Rate 1	\$ 1.11860			\$109,080	\$0
SFWB Rate	\$ 1.17930				
Monthly Weighted Avg Cost	\$ 0.85820				
Monthly Gain/(Loss) w/out Debt	\$ (1.87263)				

Monthly Sales By Customer



NCCWC Monthly Water Production and Cost Summary -

May 2025

	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Average Daily Production (MG)	9.43	7.10	-	2.33

	<u>TOTAL</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Water Production/Purchases (MG)	292.24	220.08	-	72.16
Water Production/Purchases (ccf) (divide MG by 0.000748)	390,698	294,225	-	96,473

NCCWC Expenditures (\$):

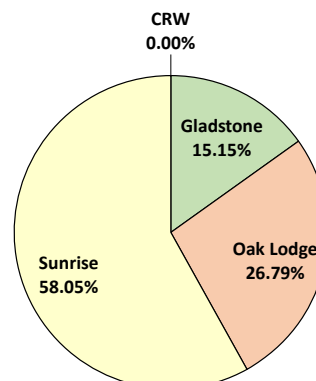
		<u>SSF/Membrane</u>	<u>SFWB</u>	<u>CRW</u>
Operations:				
Personnel Services	\$ 63,079	\$ 63,079	\$ -	\$ -
Electricity	\$ 49,637	\$ 49,637	\$ -	\$ -
Water Treatment	\$ 9,096	\$ 9,096	\$ -	\$ -
Other - Material & Services	\$ 61,791	\$ 61,791	\$ -	\$ -
Capital Outlay	\$ - (In Transfers)	\$ -	\$ -	\$ -
Special Payments-PERS	\$ - (Excluded - From Beg. Balance)	\$ -	\$ -	\$ -
Transfer	\$ 100,000 (Excludes Debt Service Transfer)	\$ 100,000	\$ -	\$ -
Administration:				
Contracted Services	\$ 42,670	\$ 42,670	\$ -	\$ -
Professional Services	\$ 40,463	\$ 40,463	\$ -	\$ -
Wholesale Purchases	\$ 107,926	\$ -	\$ -	\$ 107,926
Total Requirements w/out Debt	\$ 474,661	\$ 366,736	\$ -	\$ 107,926
Cost w/out Debt: \$(ccf):	\$ 1,2149	\$ 1,2464	\$ -	\$ 1,1187

VOLUME PURCHASED:

		<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	290.74	44.06	77.89	168.79	-
Water Sales (ccf)	388,685	58,898	104,137	225,650	-
% Water Sales per Entity (ccf)	100%	15.15%	26.79%	58.05%	0.00%

GLAD Rate	\$ 0.85500	50,357.79			
OLWD Rate	\$ 0.85500		89,037.14		
SWA Rate	\$ 0.85500			\$40,154	
CRW Water Rate 1	\$ 1.11860			\$109,080	\$0
SFWB Rate	\$ 1.17930				
Monthly Weighted Avg Cost	\$ 0.74260				
Monthly Gain/(Loss) w/out Debt	\$ (0.47231)				

Monthly Sales By Customer



NCCWC

Water Production and Cost Summary - Year to Date

July 2024 - May 2025

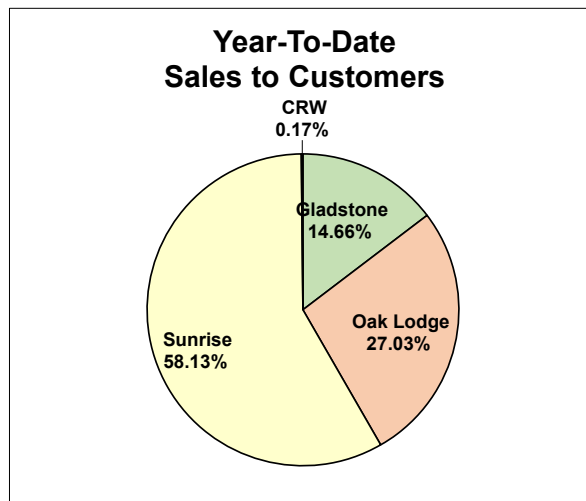
	<u>Combined</u>	<u>Production SSF/Membrane</u>	<u>Production SFWB</u>	<u>Wholesale CRW</u>
Average Daily Production (MG)	10.02	7.50	0.00	27.20

	<u>TOTAL</u>	<u>NCCWC Plant</u>	<u>SFWB</u>	<u>Wholesale CRW</u>
Water Production/Purchases (MG)	3,356.21	2,512.69	0.30	843.22
Water Production/Purchases (ccf) (divide MG by 0.000748)	4,486,909	3,359,212	402	1,127,295

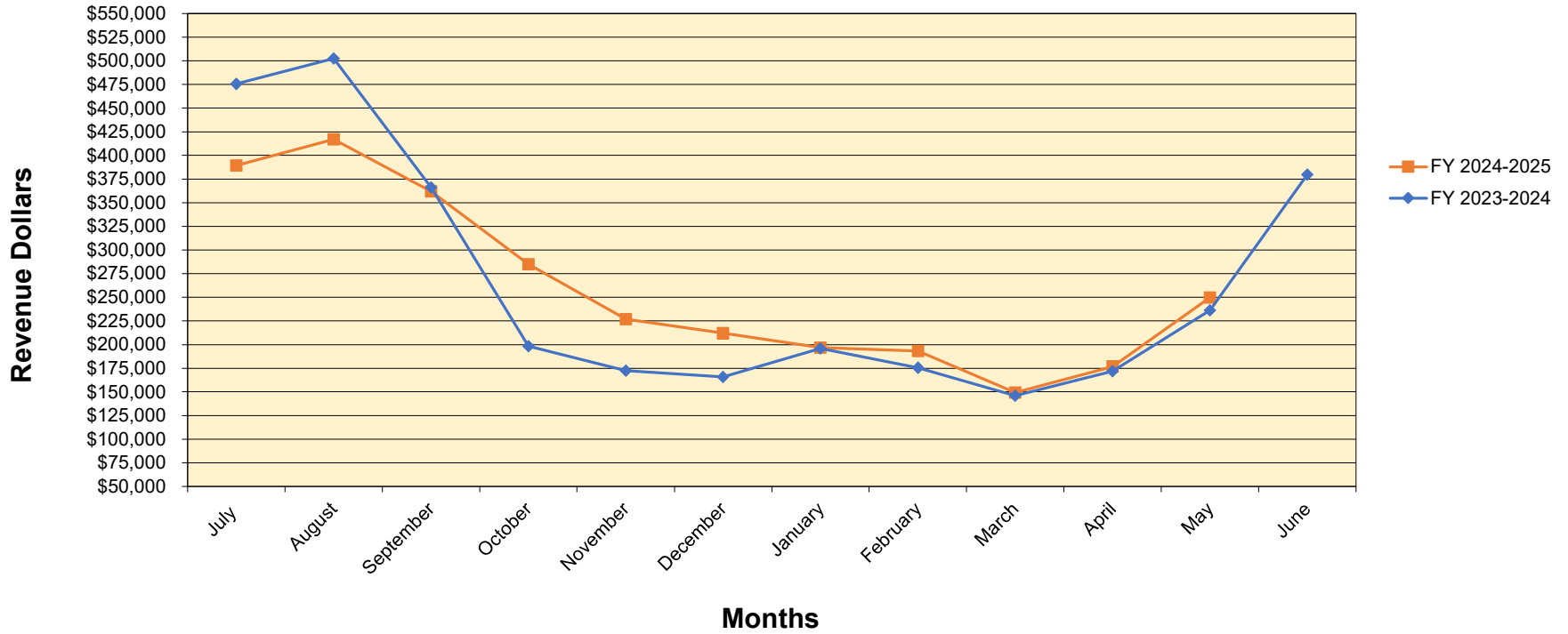
NCCWC Expenditures (\$):		<u>NCCWC Plant</u>	<u>SFWB</u>	<u>CRW</u>
Operations				
Personnel Services	\$ 445,565	\$ 445,565	\$ -	\$ -
Electricity	\$ 581,974	\$ 581,974	\$ -	\$ -
Water Treatment	\$ 192,025	\$ 192,025	\$ -	\$ -
Other -Material & Services	\$ 472,414	\$ 472,414	\$ -	\$ -
Capital Outlay	\$ - (In Transfers)	\$ -	\$ -	\$ -
Special Payments-PERS	\$ - (Excluded - From Beg. Balance)	\$ -	\$ -	\$ -
Transfer	\$ 1,100,000 (Excludes Debt Service Transfer)	\$ 1,100,000	\$ -	\$ -
Administration				
Contracted Services	\$ 236,643	\$ 236,643	\$ -	\$ -
Professional Services	\$ 220,557	\$ 220,557	\$ -	\$ -
Wholesale Purchases	\$ 1,261,117	\$ -	\$ -	\$ 1,261,117
Total Requirements w/out Debt	\$ 4,510,295	\$ 3,249,178	\$ -	\$ 1,261,117

Cost: w/o Debt \$(/ccf):	\$ 1.0052	\$ 0.9672	\$ -	\$ 1.1187
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<u>VOLUME PURCHASED:</u>		<u>Gladstone</u>	<u>Oak Lodge</u>	<u>Sunrise</u>	<u>CRW</u>
Water Sales (MG)	3,339.61	489.72	902.62	1,941.47	5.80
Total Water Sales (ccf)	4,464,713	654,707	1,206,707	2,595,551	7,748
% Water Sales per Entity (ccf)	100%	14.66%	27.03%	58.13%	0.17%
Gladstone Rate	\$ 0.85500	\$ 559,774			
OLWD Rate	\$ 0.85500		\$ 1,031,734		
SWA Rate	\$ 0.85500			\$ 201,542	
CRW Water Rate 1	\$ 1.11860			\$ 169,103	\$ 8,667
YTD Weighted Avg Cost	\$ 0.44142				
YTD Gain/(Loss) w/out Debt	\$ (0.56379)				



**Water Sales
Current Fiscal Year Comparison
2023-2024 vs 2024-2025**



General Ledger Budget to Actual Report



User: jpietzold@sunrisewater.com
 Printed: 6/18/2025 12:29:15 PM
 Period 09 - 09
 Fiscal Year 2025

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10	General Fund				
	<i>Beginning Fund Balance</i>				
10-3000-00	Fund Balance	1,118,054.00	0.00	1,614,409.43	144.39
	<i>Beginning Fund Balance</i>	<i>1,118,054.00</i>	<i>0.00</i>	<i>1,614,409.43</i>	<i>144.39</i>
	<i>Revenue</i>				
10-4010-00	Interest Income	5,000.00	3,051.90	24,661.98	493.24
10-4020-01	Water Sales-OLWSD	1,152,000.00	75,848.76	797,488.44	69.23
10-4020-02	Water Sales-City of Gladstone	589,000.00	47,883.42	420,996.04	71.48
10-4020-03	Water Sales-SWA	1,408,000.00	69,532.88	1,052,369.07	74.74
10-4020-09	Water Sales-Clackamas RiverWtr	15,000.00	0.00	12,133.68	80.89
10-4025-00	Wholesale Water Sales	1,400,000.00	86,575.45	918,718.77	65.62
10-4060-00	Miscellaneous Income	0.00	604.81	20,117.01	0.00
	<i>Revenue</i>	<i>4,569,000.00</i>	<i>283,497.22</i>	<i>3,246,484.99</i>	<i>71.05</i>
	<i>Personnel Services</i>				
10-5000-00	Plant Operators	380,000.00	13,521.20	171,718.14	45.19
10-5005-00	OvertimeOn-Call	52,000.00	7,182.77	54,956.43	105.69
10-5050-00	MedicalDentalVision Ins.	127,000.00	4,537.54	51,500.10	40.55
10-5060-00	Retirement	105,000.00	1,759.44	38,078.87	36.27
10-5070-00	Payroll Taxes	39,000.00	2,406.18	23,293.49	59.73
10-5080-00	Workers Compensation	11,000.00	588.00	5,292.00	48.11
	<i>Personnel Services</i>	<i>714,000.00</i>	<i>29,995.13</i>	<i>344,839.03</i>	<i>48.30</i>
	<i>Materials & Services</i>				
10-5204-00	Wholesale Water Purchases	1,400,000.00	86,575.45	918,718.77	65.62
10-5206-10	Contracted Services-Management	45,000.00	0.00	29,850.95	66.34
10-5206-11	Contracted Svcs-Operations Mgt	150,000.00	-16,435.80	31,091.16	20.73
10-5206-12	Contracted Svcs-Plant Engineer	32,000.00	0.00	21,959.41	68.62
10-5206-13	Contracted Services-Financial	51,000.00	0.00	38,950.00	76.37
10-5206-16	HVAC	18,000.00	0.00	13,247.25	73.60
10-5208-00	General Office Expenses	9,000.00	876.44	3,672.45	40.81
10-5210-00	PermitsLicensing Fees	17,500.00	900.00	13,326.68	76.15
10-5212-00	General Insurance	99,000.00	8,646.33	74,257.49	75.01
10-5215-00	ComputersTechnology	15,000.00	-4,057.50	21,417.00	142.78

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10-5230-04	Audit Services	45,000.00	0.00	49,320.00	109.60
10-5230-06	Legal Services	25,000.00	0.00	4,124.50	16.50
10-5230-08	Engineering - General	25,000.00	0.00	520.00	2.08
10-5230-21	Watershed Services	169,000.00	0.00	126,129.00	74.63
10-5236-10	Water Analysis and Testing	15,000.00	0.00	5,055.71	33.70
10-5236-11	Chemicals	130,000.00	6,537.35	124,815.04	96.01
10-5236-12	Instrumentation & Lab Supplies	25,000.00	0.00	31,020.66	124.08
10-5238-00	Telemetry (SCADA)	17,500.00	0.00	2,290.00	13.09
10-5240-00	Electricity	650,000.00	44,500.37	442,680.22	68.10
10-5244-00	Education Training and Dues	29,700.00	6,961.07	13,294.06	44.76
10-5245-00	Telephone	10,000.00	590.24	5,319.25	53.19
10-5246-00	Travel Expenses	500.00	0.00	-42.92	-8.58
10-5247-00	Books & Publications	1,000.00	0.00	0.00	0.00
10-5248-00	Public Notices	1,000.00	0.00	0.00	0.00
10-5250-10	Natural Gas	2,000.00	-296.98	1,491.69	74.58
10-5250-20	Garbage	1,000.00	391.00	1,584.70	158.47
10-5252-00	Miscellaneous Expense	5,000.00	0.00	969.61	19.39
10-5256-00	Commissioner Fees Expenses	1,200.00	0.00	0.00	0.00
10-5300-10	Vehicle Maintenance	5,000.00	0.00	1,246.05	24.92
10-5300-20	Fuels Oils	9,000.00	0.00	1,344.94	14.94
10-5300-30	Equipment Rental	3,500.00	0.00	1,475.88	42.17
10-5300-40	Equipment Maintenance	15,000.00	969.00	8,917.82	59.45
10-5305-10	Building Maintenance	27,000.00	0.00	1,984.93	7.35
10-5305-11	Grounds Maintenance	20,000.00	261.32	7,039.16	35.20
10-5305-13	Janitorial Supplies	2,000.00	30.95	620.79	31.04
10-5305-14	Security Monitoring Maint	5,000.00	0.00	0.00	0.00
10-5305-15	Plant Maintenance	40,000.00	2,497.71	39,612.13	99.03
10-5305-16	Intake Structure Maintenance	10,000.00	0.00	0.00	0.00
10-5305-17	Membrane Maintenance	20,000.00	199.00	4,178.62	20.89
10-5305-20	Safety Supplies	15,000.00	422.83	9,162.93	61.09
10-5310-00	Small Tools & Equipment	10,000.00	0.00	528.51	5.29
	<i>Materials & Services</i>	<i>3,170,900.00</i>	<i>139,568.78</i>	<i>2,051,174.44</i>	<i>64.69</i>
	<i>Transfers & Contingencies</i>				
10-7300-13	Transfer to Plant Reserve	1,200,000.00	100,000.00	600,000.00	50.00
10-9000-00	Operating Contingency	320,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>1,520,000.00</i>	<i>100,000.00</i>	<i>600,000.00</i>	<i>39.47</i>
10	General Fund	282,154.00	13,933.31	1,864,880.95	660.94
13	Plant Reserve				
	<i>Beginning Fund Balance</i>				
13-3000-00	Fund Balance	4,556,222.00	0.00	5,537,970.70	121.55
	<i>Beginning Fund Balance</i>	<i>4,556,222.00</i>	<i>0.00</i>	<i>5,537,970.70</i>	<i>121.55</i>
	<i>Revenue</i>				
13-4010-00	Interest Income	50,000.00	22,481.21	204,980.73	409.96
13-4100-10	Transfer In - General Fund	1,200,000.00	100,000.00	600,000.00	50.00
	<i>Revenue</i>	<i>1,250,000.00</i>	<i>122,481.21</i>	<i>804,980.73</i>	<i>64.40</i>

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
	<i>Capital Outlay</i>				
13-7000-10	Computers, Scada, Tech	200,000.00	1,524.00	14,221.50	7.11
13-7000-20	Equipment	325,000.00	40,087.41	67,258.55	20.69
13-7000-40	Membranes	100,000.00	0.00	53,000.00	53.00
13-7000-50	Buildings	170,000.00	0.00	0.00	0.00
13-7000-60	Other	200,000.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>995,000.00</i>	<i>41,611.41</i>	<i>134,480.05</i>	<i>13.52</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	4,511,222.00	80,869.80	6,208,471.38	137.62
Revenue Total		5,819,000.00	405,978.43	4,051,465.72	69.6248
Expense Total		6,699,900.00	311,175.32	3,130,493.52	46.7245
Grand Total		4,793,376.00	94,803.11	8,073,352.33	1.6843

General Ledger Budget to Actual Report

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 Period 10 - 10
 Fiscal Year 2025



Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10	General Fund				
	<i>Beginning Fund Balance</i>				
10-3000-00	Fund Balance	1,118,054.00	0.00	1,614,409.43	144.39
	<i>Beginning Fund Balance</i>	<i>1,118,054.00</i>	<i>0.00</i>	<i>1,614,409.43</i>	<i>144.39</i>
	<i>Revenue</i>				
10-4010-00	Interest Income	5,000.00	1,052.67	25,714.65	514.29
10-4020-01	Water Sales-OLWSD	1,152,000.00	67,189.32	864,677.76	75.06
10-4020-02	Water Sales-City of Gladstone	589,000.00	41,989.91	462,985.95	78.61
10-4020-03	Water Sales-SWA	1,408,000.00	40,154.22	1,092,523.29	77.59
10-4020-09	Water Sales-Clackamas RiverWtr	15,000.00	0.00	12,133.68	80.89
10-4025-00	Wholesale Water Sales	1,400,000.00	109,080.08	1,027,798.85	73.41
10-4060-00	Miscellaneous Income	0.00	3,956.53	24,073.54	0.00
	<i>Revenue</i>	<i>4,569,000.00</i>	<i>263,422.73</i>	<i>3,509,907.72</i>	<i>76.82</i>
	<i>Personnel Services</i>				
10-5000-00	Plant Operators	380,000.00	19,453.88	191,172.02	50.31
10-5005-00	OvertimeOn-Call	52,000.00	5,952.75	60,909.18	117.13
10-5050-00	MedicalDentalVision Ins.	127,000.00	4,537.54	56,037.64	44.12
10-5060-00	Retirement	105,000.00	4,332.33	42,411.20	40.39
10-5070-00	Payroll Taxes	39,000.00	2,783.08	26,076.57	66.86
10-5080-00	Workers Compensation	11,000.00	588.00	5,880.00	53.45
	<i>Personnel Services</i>	<i>714,000.00</i>	<i>37,647.58</i>	<i>382,486.61</i>	<i>53.57</i>
	<i>Materials & Services</i>				
10-5204-00	Wholesale Water Purchases	1,400,000.00	234,472.71	1,153,191.48	82.37
10-5206-10	Contracted Services-Management	45,000.00	8,528.84	38,379.79	85.29
10-5206-11	Contracted Svcs-Operations Mgt	150,000.00	39,656.08	70,747.24	47.16
10-5206-12	Contracted Svcs-Plant Engineer	32,000.00	6,274.12	28,233.53	88.23
10-5206-13	Contracted Services-Financial	51,000.00	0.00	38,950.00	76.37
10-5206-16	HVAC	18,000.00	4,415.75	17,663.00	98.13
10-5208-00	General Office Expenses	9,000.00	0.00	3,672.45	40.81
10-5210-00	PermitsLicensing Fees	17,500.00	900.00	14,226.68	81.30
10-5212-00	General Insurance	99,000.00	8,646.33	82,903.82	83.74
10-5215-00	ComputersTechnology	15,000.00	853.32	22,270.32	148.47

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10-5230-04	Audit Services	45,000.00	0.00	49,320.00	109.60
10-5230-06	Legal Services	25,000.00	0.00	4,124.50	16.50
10-5230-08	Engineering - General	25,000.00	0.00	520.00	2.08
10-5230-21	Watershed Services	169,000.00	0.00	126,129.00	74.63
10-5236-10	Water Analysis and Testing	15,000.00	0.00	5,055.71	33.70
10-5236-11	Chemicals	130,000.00	18,362.07	143,177.11	110.14
10-5236-12	Instrumentation & Lab Supplies	25,000.00	3,675.10	34,695.76	138.78
10-5238-00	Telemetry (SCADA)	17,500.00	1,832.50	4,122.50	23.56
10-5240-00	Electricity	650,000.00	89,656.24	532,336.46	81.90
10-5244-00	Education Training and Dues	29,700.00	5,775.93	19,069.99	64.21
10-5245-00	Telephone	10,000.00	217.66	5,536.91	55.37
10-5246-00	Travel Expenses	500.00	0.00	-42.92	-8.58
10-5247-00	Books & Publications	1,000.00	0.00	0.00	0.00
10-5248-00	Public Notices	1,000.00	0.00	0.00	0.00
10-5250-10	Natural Gas	2,000.00	452.96	1,944.65	97.23
10-5250-20	Garbage	1,000.00	66.33	1,651.03	165.10
10-5252-00	Miscellaneous Expense	5,000.00	0.00	969.61	19.39
10-5256-00	Commissioner Fees Expenses	1,200.00	0.00	0.00	0.00
10-5300-10	Vehicle Maintenance	5,000.00	0.00	1,246.05	24.92
10-5300-20	Fuels Oils	9,000.00	426.89	1,771.83	19.69
10-5300-30	Equipment Rental	3,500.00	0.00	1,475.88	42.17
10-5300-40	Equipment Maintenance	15,000.00	12,227.73	21,145.55	140.97
10-5305-10	Building Maintenance	27,000.00	0.00	1,984.93	7.35
10-5305-11	Grounds Maintenance	20,000.00	2,165.56	9,204.72	46.02
10-5305-13	Janitorial Supplies	2,000.00	0.00	620.79	31.04
10-5305-14	Security Monitoring Maint	5,000.00	1,628.00	1,628.00	32.56
10-5305-15	Plant Maintenance	40,000.00	11,241.98	50,854.11	127.14
10-5305-16	Intake Structure Maintenance	10,000.00	0.00	0.00	0.00
10-5305-17	Membrane Maintenance	20,000.00	0.00	4,178.62	20.89
10-5305-20	Safety Supplies	15,000.00	496.34	9,659.27	64.40
10-5310-00	Small Tools & Equipment	10,000.00	0.00	528.51	5.29
	<i>Materials & Services</i>	<i>3,170,900.00</i>	<i>451,972.44</i>	<i>2,503,146.88</i>	<i>78.94</i>
	<i>Transfers & Contingencies</i>				
10-7300-13	Transfer to Plant Reserve	1,200,000.00	400,000.00	1,000,000.00	83.33
10-9000-00	Operating Contingency	320,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>1,520,000.00</i>	<i>400,000.00</i>	<i>1,000,000.00</i>	<i>65.79</i>
10	General Fund	282,154.00	-626,197.29	1,238,683.66	439.01
13	Plant Reserve				
	<i>Beginning Fund Balance</i>				
13-3000-00	Fund Balance	4,556,222.00	0.00	5,537,970.70	121.55
	<i>Beginning Fund Balance</i>	<i>4,556,222.00</i>	<i>0.00</i>	<i>5,537,970.70</i>	<i>121.55</i>
	<i>Revenue</i>				
13-4010-00	Interest Income	50,000.00	23,569.94	228,550.67	457.10
13-4100-10	Transfer In - General Fund	1,200,000.00	400,000.00	1,000,000.00	83.33
	<i>Revenue</i>	<i>1,250,000.00</i>	<i>423,569.94</i>	<i>1,228,550.67</i>	<i>98.28</i>

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
	<i>Capital Outlay</i>				
13-7000-10	Computers, Scada, Tech	200,000.00	-152.40	14,069.10	7.03
13-7000-20	Equipment	325,000.00	5,890.00	73,148.55	22.51
13-7000-40	Membranes	100,000.00	0.00	53,000.00	53.00
13-7000-50	Buildings	170,000.00	0.00	0.00	0.00
13-7000-60	Other	200,000.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>995,000.00</i>	<i>5,737.60</i>	<i>140,217.65</i>	<i>14.09</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	4,511,222.00	417,832.34	6,626,303.72	146.88
Revenue Total		5,819,000.00	686,992.67	4,738,458.39	81.4308
Expense Total		6,699,900.00	895,357.62	4,025,851.14	60.0882
Grand Total		4,793,376.00	-208,364.95	7,864,987.38	1.6408

General Ledger Budget to Actual Report

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Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10	General Fund				
	<i>Beginning Fund Balance</i>				
10-3000-00	Fund Balance	1,118,054.00	0.00	1,614,409.43	144.39
	<i>Beginning Fund Balance</i>	<i>1,118,054.00</i>	<i>0.00</i>	<i>1,614,409.43</i>	<i>144.39</i>
	<i>Revenue</i>				
10-4010-00	Interest Income	5,000.00	701.19	26,415.84	528.32
10-4020-01	Water Sales-OLWSD	1,152,000.00	167,056.75	1,031,734.51	89.56
10-4020-02	Water Sales-City of Gladstone	589,000.00	96,788.57	559,774.52	95.04
10-4020-03	Water Sales-SWA	1,408,000.00	162,835.61	1,255,358.90	89.16
10-4020-09	Water Sales-Clackamas RiverWtr	15,000.00	0.00	12,133.68	80.89
10-4025-00	Wholesale Water Sales	1,400,000.00	233,318.25	1,261,117.10	90.08
10-4060-00	Miscellaneous Income	0.00	0.00	24,073.54	0.00
	<i>Revenue</i>	<i>4,569,000.00</i>	<i>660,700.37</i>	<i>4,170,608.09</i>	<i>91.28</i>
	<i>Personnel Services</i>				
10-5000-00	Plant Operators	380,000.00	36,496.63	227,668.65	59.91
10-5005-00	OvertimeOn-Call	52,000.00	8,751.42	69,660.60	133.96
10-5050-00	MedicalDentalVision Ins.	127,000.00	4,537.54	60,575.18	47.70
10-5060-00	Retirement	105,000.00	7,924.61	50,335.81	47.94
10-5070-00	Payroll Taxes	39,000.00	4,780.56	30,857.13	79.12
10-5080-00	Workers Compensation	11,000.00	588.00	6,468.00	58.80
	<i>Personnel Services</i>	<i>714,000.00</i>	<i>63,078.76</i>	<i>445,565.37</i>	<i>62.40</i>
	<i>Materials & Services</i>				
10-5204-00	Wholesale Water Purchases	1,400,000.00	107,925.62	1,261,117.10	90.08
10-5206-10	Contracted Services-Management	45,000.00	4,264.42	42,644.21	94.76
10-5206-11	Contracted Svcs-Operations Mgt	150,000.00	35,268.19	106,015.43	70.68
10-5206-12	Contracted Svcs-Plant Engineer	32,000.00	3,137.06	31,370.59	98.03
10-5206-13	Contracted Services-Financial	51,000.00	0.00	38,950.00	76.37
10-5206-16	HVAC	18,000.00	0.00	17,663.00	98.13
10-5208-00	General Office Expenses	9,000.00	425.61	4,098.06	45.53
10-5210-00	PermitsLicensing Fees	17,500.00	1,310.00	15,536.68	88.78
10-5212-00	General Insurance	99,000.00	8,646.33	91,550.15	92.47
10-5215-00	ComputersTechnology	15,000.00	453.05	22,723.37	151.49

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
10-5230-04	Audit Services	45,000.00	0.00	49,320.00	109.60
10-5230-06	Legal Services	25,000.00	0.00	4,124.50	16.50
10-5230-08	Engineering - General	25,000.00	40,463.00	40,983.00	163.93
10-5230-21	Watershed Services	169,000.00	0.00	126,129.00	74.63
10-5236-10	Water Analysis and Testing	15,000.00	817.75	5,873.46	39.16
10-5236-11	Chemicals	130,000.00	16,425.99	159,603.10	122.77
10-5236-12	Instrumentation & Lab Supplies	25,000.00	-8,147.47	26,548.29	106.19
10-5238-00	Telemetry (SCADA)	17,500.00	4,166.00	8,288.50	47.36
10-5240-00	Electricity	650,000.00	49,637.31	581,973.77	89.53
10-5244-00	Education Training and Dues	29,700.00	296.00	19,365.99	65.21
10-5245-00	Telephone	10,000.00	476.56	6,013.47	60.13
10-5246-00	Travel Expenses	500.00	0.00	-42.92	-8.58
10-5247-00	Books & Publications	1,000.00	0.00	0.00	0.00
10-5248-00	Public Notices	1,000.00	0.00	0.00	0.00
10-5250-10	Natural Gas	2,000.00	172.85	2,117.50	105.88
10-5250-20	Garbage	1,000.00	59.15	1,710.18	171.02
10-5252-00	Miscellaneous Expense	5,000.00	91.97	1,061.58	21.23
10-5256-00	Commissioner Fees Expenses	1,200.00	0.00	0.00	0.00
10-5300-10	Vehicle Maintenance	5,000.00	430.03	1,676.08	33.52
10-5300-20	Fuels Oils	9,000.00	465.75	2,237.58	24.86
10-5300-30	Equipment Rental	3,500.00	1,225.50	2,701.38	77.18
10-5300-40	Equipment Maintenance	15,000.00	13,086.06	34,231.61	228.21
10-5305-10	Building Maintenance	27,000.00	62.10	2,047.03	7.58
10-5305-11	Grounds Maintenance	20,000.00	0.00	9,204.72	46.02
10-5305-13	Janitorial Supplies	2,000.00	179.00	799.79	39.99
10-5305-14	Security Monitoring Maint	5,000.00	0.00	1,628.00	32.56
10-5305-15	Plant Maintenance	40,000.00	27,522.73	78,376.84	195.94
10-5305-16	Intake Structure Maintenance	10,000.00	0.00	0.00	0.00
10-5305-17	Membrane Maintenance	20,000.00	1,378.10	5,556.72	27.78
10-5305-20	Safety Supplies	15,000.00	1,247.29	10,906.56	72.71
10-5310-00	Small Tools & Equipment	10,000.00	96.75	625.26	6.25
	<i>Materials & Services</i>	<i>3,170,900.00</i>	<i>311,582.70</i>	<i>2,814,729.58</i>	<i>88.77</i>
	<i>Transfers & Contingencies</i>				
10-7300-13	Transfer to Plant Reserve	1,200,000.00	100,000.00	1,100,000.00	91.67
10-9000-00	Operating Contingency	320,000.00	0.00	0.00	0.00
	<i>Transfers & Contingencies</i>	<i>1,520,000.00</i>	<i>100,000.00</i>	<i>1,100,000.00</i>	<i>72.37</i>
10	General Fund	282,154.00	186,038.91	1,424,722.57	504.95
13	Plant Reserve				
	<i>Beginning Fund Balance</i>				
13-3000-00	Fund Balance	4,556,222.00	0.00	5,537,970.70	121.55
	<i>Beginning Fund Balance</i>	<i>4,556,222.00</i>	<i>0.00</i>	<i>5,537,970.70</i>	<i>121.55</i>
	<i>Revenue</i>				
13-4010-00	Interest Income	50,000.00	24,838.37	253,389.04	506.78
13-4100-10	Transfer In - General Fund	1,200,000.00	100,000.00	1,100,000.00	91.67
	<i>Revenue</i>	<i>1,250,000.00</i>	<i>124,838.37</i>	<i>1,353,389.04</i>	<i>108.27</i>

Account Number	Description	Budget	Period Amt	End Bal	% ExpendCollect
	<i>Capital Outlay</i>				
13-7000-10	Computers, Scada, Tech	200,000.00	20,050.93	34,120.03	17.06
13-7000-20	Equipment	325,000.00	22,750.41	95,898.96	29.51
13-7000-40	Membranes	100,000.00	0.00	53,000.00	53.00
13-7000-50	Buildings	170,000.00	0.00	0.00	0.00
13-7000-60	Other	200,000.00	0.00	0.00	0.00
	<i>Capital Outlay</i>	<i>995,000.00</i>	<i>42,801.34</i>	<i>183,018.99</i>	<i>18.39</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	4,511,222.00	82,037.03	6,708,340.75	148.70
Revenue Total		5,819,000.00	785,538.74	5,523,997.13	94.9304
Expense Total		6,699,900.00	517,462.80	4,543,313.94	67.8117
Grand Total		4,793,376.00	268,075.94	8,133,063.32	1.6967

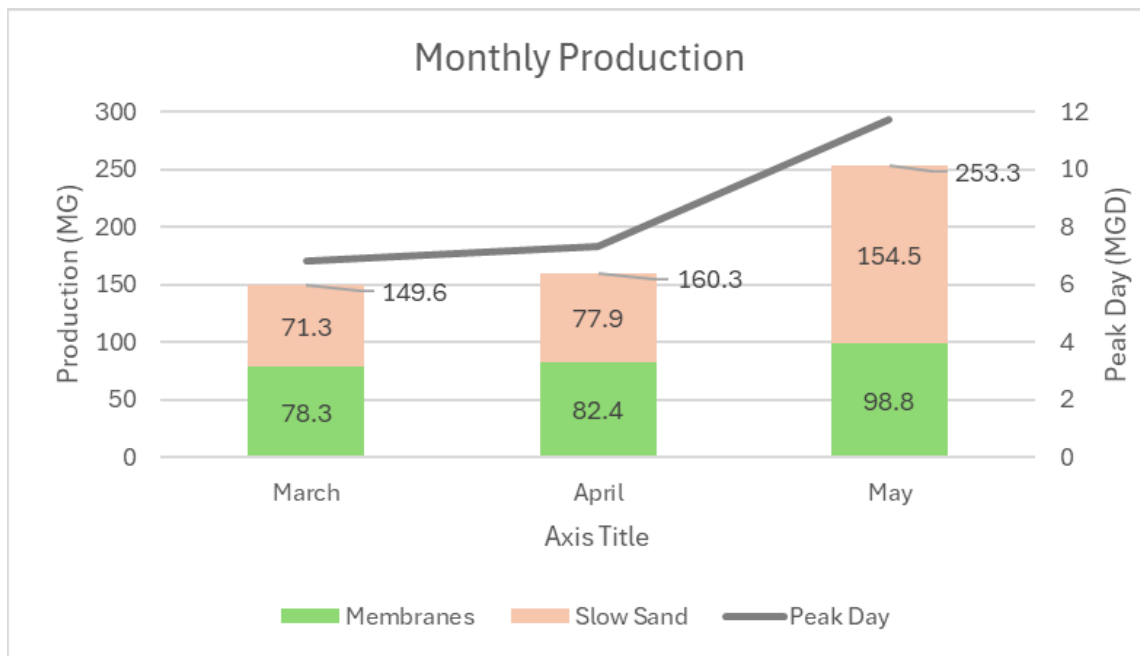
NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Subject: Operations Report
Presenter(s): Wade Hathhorn, General Manager
Board Action: Open discussion
Attachments: None

Topics

Monthly Water Production



Plant Updates: Staff are continuing work on key plant repairs, including:

- Membrane Cell Cleaning: advanced cleaning regiment has been successful
- Chemical Feed Pumps: need replaced (with new skids)
- Chlorination Feed/Storage: scheduled for repair
- Air Compressors/Actuated Valve: scheduled for repair
- Soda Ash System (pH control): restored (scheduled for replacement)
- IT/OT Upgrades: in-progress

NORTH CLACKAMAS COUNTY WATER COMMISSION

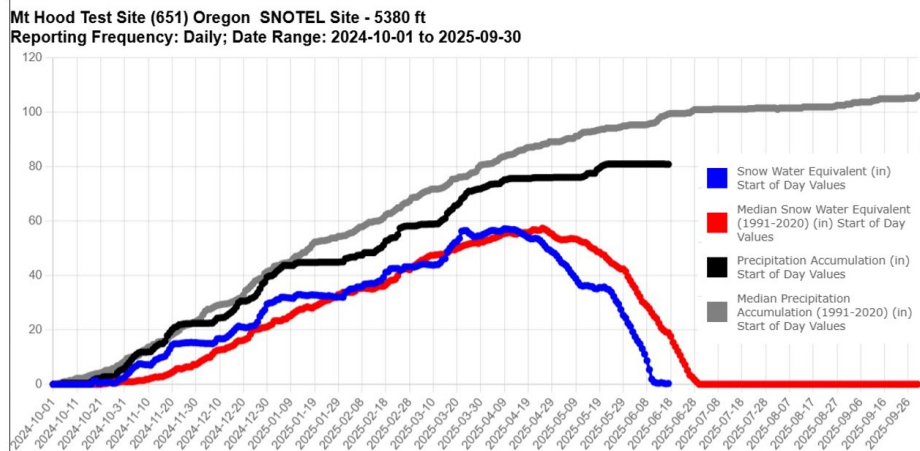
June 26, 2025

Agenda Item 7.3

Subject: Manager's Report
Presenter(s): Wade Hathhorn, General Manager
Board Action: Open discussion
Attachments: None

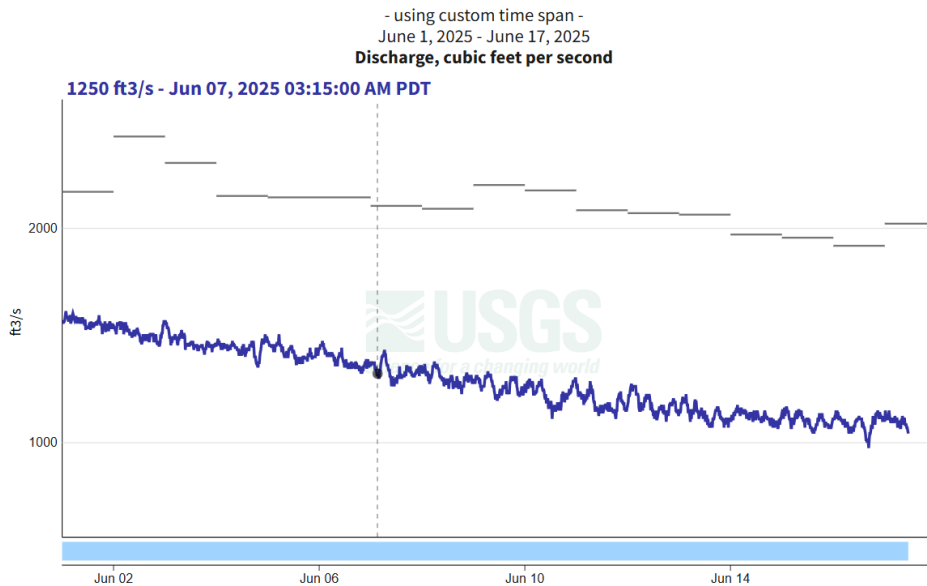
Update on Snowpack

On top are the cumulative precipitation (black/gray) and snow water equivalent (red/blue) charts for this year and a historic comparison. The data show a very "dry" year to date, with early snowmelt, compared to historic medians.



Clackamas River Near Oregon City, OR - 14211010

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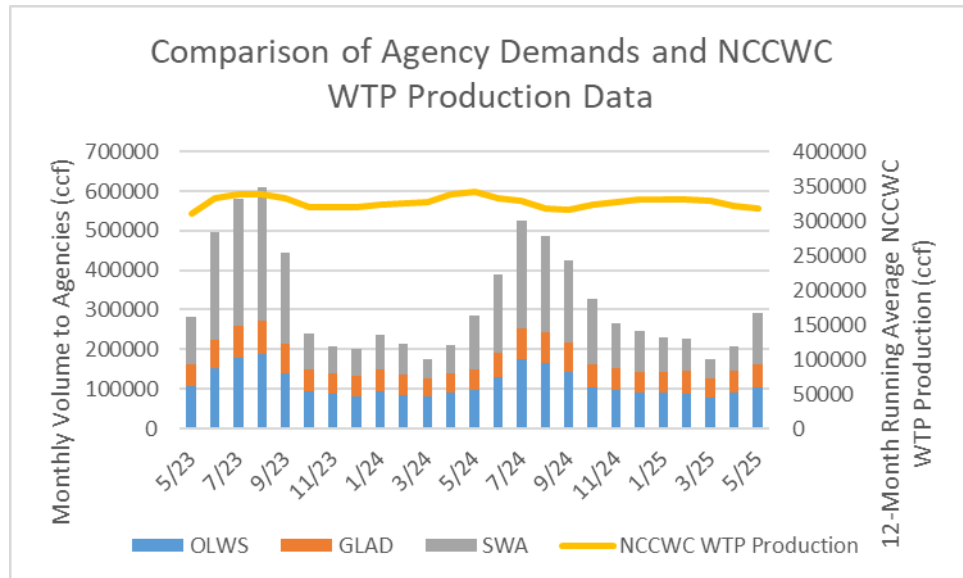
On the lower chart, the data show current streamflow way below historic medians. It appears that we are likely headed to some level of curtailment even before summer ends.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

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 (deliveries) are evidenced in the drop observed across subsequent summer periods. The influence from peak (hot) weather periods is also evidenced, as well as general flattening of the 12-mo. Average – the latter is owed to operations approaching “plant capacity” each year (especially during the summer), including additional supplies from CRW.

Current IT and SCADA Upgrades

Staff is working with contractors from Portland Engineering, Team Electric and Mobile IT to upgrade the IT and SCADA platforms. Upgrades include new computers, switches, and firewall, along with an upgrade to the latest version of SCADA software. This work also includes new wiring configurations and upgrades to the remote access systems.

Key Staffing Changes

We are fortunate to have **Brent Carrar** join the NCCWC as a senior operator. Brent is a graduate of the CCC WET program and has his Level III certification. He was most recently the lead operator/supervisor for the City of Sandy’s facility (ran by Veolia Water). Brent began working for the NCCWC in May. We are excited to have him as a key part of our staff.

Summer Intern From CCC WET

We have another intern joining us for the summer, Gabriel Dettmer. They were also selected to receive a full-time scholarship program with Clackamas Community College’s Water Environmental Technology (WET) program and will begin work on June 23. Staff is looking for to working this person and continuing the collaboration with CCC.

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 8.1

- Subject:** Adopt Resolution 2025-5 authorizing an engineering services contract under cooperative procurement to design and assist with contractor selection and construction management of various water treatment plant improvements.
- Presenter(s):** Wade Hathhorn, General Manager
- Board Action:** Adopt Resolution 2025-5 Authorizing an Engineering Services Contract Under Cooperative Procurement for the purposes stated herein.
- Attachments:** Resolutions 2025-5
- Background:** The NCCWC water treatment plant is now more than 25 years old and is in urgent need of repair and upgrade for several key components, including (but not limited to): sodium hypochlorite (chemical) storage and injection; compressors and air vacuum system (with actuated valves); surge tank assessment and repair; various control and pressure reducing valves; along with replacement of the soda ash system with caustic and CO₂. Many of these items also require the installation and testing of a variety of electrical and mechanical components which are integral to the membrane treatment platform. Moreover, time is of the essence and the scheduling of these activities is limited by on-going plant operations. It is also important to remember that the membrane portion of the plant is one of only two known submerged membrane plants in the entire State. It's very electromechanical in its design and relies on a variety of intricate parts, many of which are proprietary items.
- Analysis:** The principal challenge here involves the coordination of a variety of skilled labor resources required to implement the desired repairs and upgrades, with a limited schedule in which plant operations may be restricted or turned-off to accommodate the fixes. The scope of work can be viewed as a series of major, complex repairs, rather than a well-defined construction project. The work will require adaptation and flexibility to accommodate unknown conditions that commonly arise during retrofitting and repair. Hence, it will require the superior knowledge of a highly skilled engineering and construction team to successfully manage and implement those repairs. Accordingly, this is not a project that lends itself to traditional design, bid, and build delivery; rather, it best aligns with an alternative form of delivery that allows for close coordination between the engineer and contractor in the delivery

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of a series of repairs (or contract amendments) totaling an estimated not to exceed amount of \$2,500,000.

On the engineering side, a key member of the original membrane plant design team is now working (locally) at Carollo Engineers. Moreover, their firm has extensive experience in water treatment plant renovations, including the recent restoration of the membrane cells at the NCCWC plant, as well as delivery of various forms of alternative construction contracting for other public clients. Carollo also has a standing on-call engineering services contract with the City of Salem that includes water treatment repairs with thresholds of up to \$1,000,000 per project (and \$2,000,000 per year). That contract includes cooperative procurement language, as allowed under ORS 279A.205, which can be used to directly appointment their firm for our project. Their scope would include the design of the repairs, along with support in related contractor selection and construction management services, for an amount up to \$500,000.

Time is also of the essence. Extensive repairs of the type planned here can only be done during periods in which the membrane portion of the plant can be turn-off (i.e. periods of low demand). It is anticipated that much of required design and value engineering can be done through this summer and fall with implementation being scheduled for the six-month period between November 2025 and April 2026. During this time, the NCCWC will likely have to rely on wholesale water purchases from both CRW and SFWB.

Hence, staff is asking the Board to adopt Resolution 2025-5 authorizing the General Manager to enter into an engineering services contract with Carollo engineers for the purpose and amount stated herein.

- Options: Amend or reject the request to authorize Resolution 2025-5, as presented.
- Staff Recommendations: Adopt Resolution 2025-5, as presented.
- Draft Motion: Adopt Resolution 2025-5 authorizing a contract for engineering services under cooperative procurement with Carollo Engineers for an amount of not to exceed \$500,000 for the purpose of design and construction management in the delivery of various water treatment plant improvements.

NORTH CLACKAMAS COUNTY WATER COMMISSION

Resolution No. 2025-5

A RESOLUTION AUTHORIZING AN ENGINEERING SERVICES CONTRACT UNDER COOPERATIVE PROCUREMENT FOR THE DELIVERY OF VARIOUS IMPROVEMENTS AT THE NCCWC WATER TREATMENT PLANT

WHEREAS, the NCCWC water treatment plant is now 25 years old and urgently in need of various repairs and replacements; and

WHEREAS, the planned activities involve a series of planned improvements to an existing operational water treatment plant; and

WHEREAS, these improvements are technically complex and must coordinate an implementation schedule that minimizes plant disruption and shut-down periods; and

WHEREAS, the scope of work requires support for design and construction management from a highly skilled and experienced engineering design team under both traditional and alternative forms of construction delivery; and

WHEREAS, Carollo Engineers have key staff that were part of the original design for the membrane portion of the plant and are also involved in the on-going rehabilitation of the membrane cells at the NCCWC plant; and

WHEREAS, Carollo Engineers has other relevant recent and on-going experience with the renovation of other water treatment plants in Oregon, as well as the related use of alternate forms of contractor selection and construction delivery (e.g. CM/GC, design-build, etc.); and

WHEREAS, Carollo Engineers is also currently under contract with the City of Salem (#212046D, amended through June 30, 2026) for on-call engineering services related to water treatment plant improvements; and

WHEREAS, that the contract with the City of Salem allows for cooperative procurement, as specified under ORS 279C.275, for terms up to \$1,000,000 per project and a total of \$2,000,000 per year.

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

The General Manager shall be so authorized to enter into an agreement with Carollo Engineers under cooperative procurement, as allowed under ORS 279C.275, using an existing contract with the City of Salem (#212046D amended through June 30, 2026) for various improvements at the NCCWC water treatment plant for an amount not to exceed \$500,000. The scope of services shall include (but not limited to) the related design and support for contractor selection and construction management, subject to the NCCWC's preference for the form of delivery.

So approved by the Board of Director's on this 26th day of June 2025.

By _____
Chris Hawes, Chair

By _____
Wade Hathhorn, General Manager

Attest this 26th day of June 2025

NORTH CLACKAMAS COUNTY WATER COMMISSION

June 26, 2025

Agenda Item 8.2

Subject: Adopt Resolution 2025-6 Authorizing an Exemption to Competitive Bidding to Allow the Use of a CM/GC Contracting Procedure for Contractor Selection and Construction of Various Water Treatment Plant Improvements

Presenter(s): Wade Hathhorn, General Manager

Board Action: Adopt Resolution 2025-6 Authorizing an Exemption to Competitive Bidding to Allow for the use of a CM/GC contract to deliver various water treatment plant improvements

Attachments: Resolutions 2025-6 with Attachment A

Background: Following the selection of a qualified engineer, the next step is to select a contractor to construct the various planned water treatment plant improvements.. Because of the complexity of the associated scope of work and its execution, the General Manager is recommending the Board authorize an exemption to traditional competitive bidding to allow for the use of an alternative form of delivery, namely CM/GC (ORS 279C.337). This approach will allow for desired coordination between the engineer and contractor (including value engineering), along with the ability to select an appropriately qualified contractor under terms that offer the flexibility and adaptation needed during delivery. In doing so, the NCCWC greatly reduces its risk to cost overruns and unnecessary plant disruptions and delays, while gaining access to the desired superior knowledge in both engineering and construction. The estimate of total planned improvements is not to exceed \$2,500,000

Analysis: In order to authorize a CM/GC procurement, the Board must also approve draft findings in support of that decision based on the requirements under ORS 279C.335(2)(a-b) – see Attachment A. By adopting Resolution 2025-5, the Board is approving those draft findings and further granting authority to the General Manager to procure construction services for the desired water treatment plant improvements under a CM/GC format, as prescribed under ORS 279C.337 for a contract amount not to exceed \$2,500,000. Moreover, the adoption of Resolution 2025-5 shall be subject to a required period of public notice for the proposed exemption, as outlined under ORS279C.335(5)(b-c).

Time is also of the essence. Extensive repairs of the type planned here can only be done during periods in which the membrane portion of the

NORTH CLACKAMAS COUNTY WATER COMMISSION

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plant can be turn-off (i.e. periods of low demand). It is anticipated that much of required design and value engineering can be done through this summer and fall with implementation being scheduled for the six-month period between November 2025 and April 2026. During this time, the NCCWC will likely have to rely on wholesale water purchases from both CRW and SFWB.

Options: Amend or reject the request to authorize Resolutions 2025-5 (with Attachment A), as presented.

Staff Recommendation Adopt Resolution 2025-5 with Attachment A, as presented

Draft Motion Adopt Resolution 2025-6 (with Attachment A) authorizing the use of a CM/GC contracting process for contractor selection and construction of various water treatment plant improvements for an amount not to exceed \$2,500,000.

NORTH CLACKAMAS COUNTY WATER COMMISSION

Resolution No. 2025-6

A RESOLUTION APPROVING DRAFT FINDINGS TO EXEMPT FROM COMPETITIVE BIDDING THE COSTRUCTION OF VARIOUS IMPROVEMENTS AT THE NCCWC WATER TREATMENT PLANT UNDER A CONSTRUCTON MANAGER/GENERAL CONTRACTOR (CM/GC) METHOD OF PROCUREMENT

WHEREAS, staff desires to construct a series of complex improvements at the North Clackamas County Water Commission (NCCWC) water treatment plant; and

WHEREAS, such improvements need to be completed under limited schedule to minimize operational disruptions at the plant; and

WHEREAS, staff is recommending the use of a construction manager/general contractor (CM/GC) method for procuring related construction services, as prescribed under ORS 279C.337; and

WHEREAS, the use of said method of procurement shall also require approval of an exemption to competitive bidding based on the findings prescribed under ORS 279C.335(2)(a-b) and accompanying public notice of said exemption outline in ORS 279C.335(5)(b-c), and

WHEREAS, these planned improvements are estimated to cost up to \$2,500,000.

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

Authorizes an exemption to competitive bidding, as allowed under ORS 279C.335, based on the draft findings outlined in Attachment A, and further grants authority to the General Manager to procure construction services under a construction manager/general contractor (CM/GC) framework, as prescribed under ORS 279C.337, to deliver various improvements at the NCCWC water treatment plant for a construction amount not to exceed \$2,500,000. The period of effect for this resolution shall also be subject to the public notice requirements outlined under ORS279C.335(5)(b-c).

So approved by the Board of Director’s on this 26th day of June 2025.

By _____
Chris Hawes, Chair

By _____
Wade Hathhorn, General Manager

Attest this 26th day of June 2025

ATTACHMENT A

FINDINGS TO EXEMPT FROM COMPETITIVE BIDDING CONTRACTOR SELECTION AND CONSTRUCTION OF VARIOUS WATER TREATMENT PLANT IMPROVEMENTS

Background

The NCCWC owns and operates a public water treatment plant located along the Clackamas River. The plant has two main treatment units: slow sand and membrane filters – two very different process technologies. The latter involves a number of highly sophisticated components with computerized, automated controls. The plant is now more than 25 years old and several components of the plant are in urgent need of repair and upgrade, including (but not limited to):

- (i) sodium hypochlorite (chemical) storage and injection;
- (ii) air vacuum system (with industrial compressors and numerous actuated valves);
- (iii) surge tank and separate air compressor;
- (iv) various control and pressure reducing valves; and
- (v) replacement of the original soda ash system with caustic and CO₂.

Many of these items also require the installation and testing of a variety of supporting electrical and mechanical components which are integral to the two treatment platform. Moreover, time is of the essence and the scheduling of these activities is limited by on-going, regular plant operations. The scope of work can be viewed as requiring a series of major, complex repairs, rather than a well-defined construction project. The work will also require adaptation and flexibility to accommodate unknown conditions that commonly arise during retrofitting and repair.

The principal challenge here involves the coordination of a variety of skilled labor resources required to implement the desired repairs and upgrades, with a limited schedule in which plant operations may be restricted or turned-off to accommodate the fixes. Hence, it will require the superior knowledge of a highly skilled engineering and construction team to successfully manage and implement those repairs. Accordingly, this is not a project that lends itself to traditional design, bid, and build delivery; rather, it will likely be best served under an alternative form of delivery, such as a construction management/general contractor (CM/GC), that allows for close coordination between the engineer and contractor in the delivery of a series of repairs (or contract amendments). The repairs are estimated to cost up to \$2,500,000.

Process for Exemption to Competitive Bidding

Oregon Revised Statute (ORS) 279C.300 generally requires competitive bidding of public improvement contracts unless specifically exempted by the Local Contract Review Board (LCRB) under Oregon Revised Statute (ORS) 279C.335 based on two findings:

1. The exemption is unlikely to encourage favoritism in the awarding of the public improvement contract or substantially diminish competition for the public improvement contract.
2. Awarding a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to the NCCWC.

ATTACHMENT A

In approving such an exemption, the LCRB must consider the type, cost and amount of the contract and, to the extent applicable to the particular public improvement contract, all items under ORS 279C.335(2)(b)(A-N).

Findings

Staff offer the following findings for each of the items in ORS 279C.335(2)(b)(A-N):

- (A) *How many persons are available to bid?* The contractor selection will utilize a two-step process, allowing the public to first respond to a general request for qualifications (RFQ) that identifies one or more proposers as qualified based on scoring of proposals within a Competitive Range, followed by a request for proposals (RFP) from those proposers deemed qualified that includes pricing and other information such methods of project delivery, management of schedule and budgets, and control of a risk registry during construction. Notice of the RFQ will be posted at least times in the Daily Journal of Commerce and on a sponsoring public website hosted by the Oak Lodge Water Services and the Sunrise Water Authority.
- (B) *What is the construction budget and the projected operating costs for the completed public improvement?* The construction cost of the improvements is estimated not to exceed \$2,500,00. The improvements are not expected to impact the existing operating costs of the plant.
- (C) *What public benefits may result from granting the exemption?* The selected method of delivery will greatly reduce the risk of change orders and other cost impacts during construction, resulting in substantial overall saving to the public.
- (D) *Will value engineering techniques be used to reduce the cost of the public improvements?* Yes, the selected delivery process includes value engineering procedures in finalizing the design under a Guaranteed Maximum Price structure applied to a series of planned improvements.
- (E) *The cost and availability of specialized expertise necessary for the public improvements?* The work will require specialized designers and contractors that have experience renovating existing water treatment facilities and understand the importance of completing repairs during critical periods in which the plant may be shut-off or scheduled for operational disruption. Additionally, expertise in electrical and instrumentation systems will be needed in integrating the improvements within the existing control (SCADA) systems.
- (F) *Any likely increases in public safety?* The existing facility is not open to the public. Hence, the work is not expected to affect public safety and repairs will be coordinated with the Oregon Health Authority, as required. The contractor will also be solely responsible for site safety during construction.
- (G) *Will granting the exemption reduce risks to the contracting agency or the public?* Yes, as explained in item (C) above, the preferred method of construction delivery will likely result in reduced risks to change orders and other cost impacts during construction.
- (H) *Will granting the exemption affect project funding sources?* No, only funds currently held by the NCCWC will be used for this project.

ATTACHMENT A

- (I) *Will granting the exemption better enable the control of potential impacts that market conditions may have on the cost of and time necessary to complete the work?* Yes, the method of delivery allows for close coordination between the engineer and contractor whereby reducing the length of time between design elements and their construction, thus reducing lead time for critical equipment purchases and optimization of the use of skilled labor during construction.
- (J) *Will granting the exemption better enable the NCCWC to address the size and technical complexity of the planned improvement?* Yes, the method of contractor selection will result in improved contractor experience and skill related to the complex nature of the stated repairs and their scheduling.
- (K) *Whether the public improvement involves new construction or renovates or remodels an existing structure?* The work involves the renovation of an existing water treatment plant.
- (L) *Whether the public improvement will be occupied or unoccupied during construction?* The water treatment plant will continue to rely on the availability of its existing operators throughout the entire construction schedule who will be performing their regular duties on the remainder of the plant.
- (M) *Whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions?* The work is expected to be delivered in a series of repairs assigned in various contract amendments.
- (N) *Whether the contracting agency or state agency has, or has retained under contract, and will use contracting agency or state agency personnel, consultants and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the contracting agency or state agency will use to award the public improvement contract and to help negotiate, administer and enforce the terms of the public improvement contract?* Yes, NCCWC staff will request authorization from the Board of Directors to issue an engineering services contract under cooperative procurement to Carollo Engineers for this work. Carollo Engineers are very experienced in the level of design required for this work and in the use of various alternative forms of construction contracting, including CM/GC. In addition, the entire use of CM/GC contractor selection and contracting process will be overseen by the NCCWC's legal counsel at Cable Huston who are experts in these matters.

Accordingly, for the many reasons cited above, the NCCWC Board of Directors finds that the proposed exemption to allow for contractor selection and construction of various planned improvements at the NCCWC Water Treatment Plant under a CM/GC process, as prescribed under ORS 279C.337, will:

- (1) unlikely encourage favoritism, nor substantially diminish competition, in the awarding of such a public improvement contract; and**
- (2) likely result in substantial cost savings and other substantial benefits to the NCCWC.**