



City of

GOLD HILL

P.O. Box 308 • Gold Hill, OR 97525
(541) 855-1525 Fax (541) 855-4501

GOLD HILL CITY COUNCIL COUNCIL MEETING AGENDA

March 25, 2019

Regular council Meeting at 6:00 P.M.

The City of Gold Hill will meet on Monday March 25, 2019, at 6:00 P.M. For the regular City Council Meeting in the Council Chambers, 420 6th Avenue. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to the City Recorder at 541-855-1525. Council Meetings are recorded.

Call to Order/ Roll Call/Pledge of Allegiance

Agenda Adjustments

Adjustments to the agenda are limited to a change in the order of business to accommodate visitors making presentations or citizens who are attending for the purpose of a single agenda item. Adjustments in the form of additions to the agenda are discouraged because the general public has had no prior notice of their consideration, and therefore interested persons will not have an opportunity to participate. Adjustments in the form of deletions from the agenda may be accomplished here so long as there is disclosure of the reason for the deletion and an indication as to when or if the item will be placed on a future agenda.

Public Input

Limited to 5 minutes or less per Mayors discretion.

1. Old Business:

- 1.1 Umpqua Bank credit card**
- 1.2 Parking fee at GH Parks**
- 1.3 Municipal Court update**
- 1.4 WWFP status**
- 1.5 Senior Center update**

2. New Business

- 2.1 Transient Lodging Tax**
- 2.2 SOWT agreement**
- 2.3 Unauthorized access to Springbrook**

Public Input

Limited to 5 minutes or less per Mayors discretion. Note: This agenda and the entire agenda packet, including staff reports, referenced documents, resolutions and ordinances are available at the Gold Hill City Hall in advance of each meeting 420 6th Avenue (P.O. Box 308), Gold Hill, OR 97525. Information can also be viewed at www.ci.goldhill.or.us

February 2019 Statement

Page 1 of 3

Open Date: 01/19/2019 Closing Date: 02/21/2019

Account: 4798 5100 5099 4553


Visa® Business Card

CITY OF GOLD HILL

CENTRAL BILL (CPN 000745855)

Cardmember Service

BUS 30 ELN

6



1-866-552-8855

13

New Balance	\$0.00
Minimum Payment Due	\$0.00
Payment Due Date	03/17/2019

Activity Summary

Previous Balance	\$0.00
Payments	\$0.00
Other Credits	\$0.00
Purchases	\$0.00
Balance Transfers	\$0.00
Advances	\$0.00
Other Debits	\$0.00
Fees Charged	\$0.00
Interest Charged	\$0.00

New Balance = **\$0.00**
Past Due **\$0.00**
Minimum Payment Due **\$0.00**

Credit Line \$15,000.00

Available Credit \$15,000.00

Days in Billing Period 34

Payment Options:

Mail payment coupon
with a check

Pay online at
myaccountaccess.com

Pay by phone
1-866-552-8855

No payment is required.

CPN 000745855


UMPQUA BANK
Zero Balance

24-Hour Cardmember Service: 1-866-552-8855

- to pay by phone
- to change your address

000022990 01 MB 0.428 000638013035846 P Y

CITY OF GOLD HILL
CENTRAL BILL
PO BOX 308
GOLD HILL OR 97525-0308


Account Number: 4798 5100 5099 4553

Your account has a zero balance, but please
remember that your available credit is
\$15,000.00.

1.4

a plan prior to loan award can still get a loan. Those borrowers will be required to develop the plan that covers the funded project and closely associated components before the last disbursement is made.

A user charge system [UCS] should be in place (40 CFR35.2140) designed to produce adequate revenues to provide for operations, maintenance, debt service and reserves for system replacement costs. The UCS should be based in actual or estimated use and each user must pay its proportionate share of the cost. The UCS must provide that each user be notified annually, in conjunction with a regular bill, of the rate and that portion of the user charge that is attributable to wastewater treatment services.

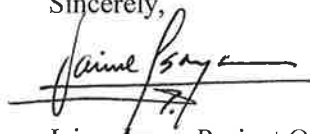
The city should adopt a sewer use ordinance (SUO) prohibiting any new connections from inflow sources and that all discharges into the treatment works not contain toxics or pollutants in amounts or concentrations with potential of endangering public safety and adversely affecting the treatment works or precluding the selection of the most cost-effective alternative for wastewater treatment and sludge disposal (40 CFR35.2130).

A land use compatibility statement signed by the county land use planning official is also required under CWSRF rules (OAR 340-054-0022(5)(e)). In addition, a non-residential user survey identifying significant industrial discharges must be conducted and submitted to the Department (OAR 340-045-0063). Construction projects using CWSRF funding must submit plans and specifications when available and a value engineering study [VE] if the total project cost is over \$10 million.

Please address these comments within six months of the date in this letter. Once the Department's comments have been addressed, please submit two final copies of the FP in a standard [10x11½ in.] three ring binder. The spine of the binder should contain the following information: (1) name of the city; (2) title of the document; and (3) date [month and year].

Please feel free to call me at [541] 687-7341 should you have any questions or comments.

Sincerely,



Jaime Isaza, Project Officer

cc: Dan Vaage, Civil West
Dave Belyea, Tim Caire, Jon Gasik - DEQ

ji: Gold Hill draft FP2018.docx

1.4



Possible Revenue Sources

1. Collect "Transient Occupancy tax" on ANY overnight lodging in Gold Hill. :

Every other city in the Rogue Valley collects a fee on temporary lodging. There are motel rooms at Lazy Acres and multiple "AirBnB" type rentals throughout Gold Hill that represent a reliable revenue stream. If the Council were to enact such a tax this Spring, we can account the anticipated revenue in the 2019/20 budget year.

Jackson

Ashland	9% city tax	(541) 488-5300	(541) 552-2059
Central Point	9% city tax	(541) 664-3321	(541) 664-6384
Eagle Point	5% city tax	(541) 826-4212, ext. 104	Not available
Jacksonville	9% city tax	(541) 899-1231, ext. 313	(541) 899-7882
Medford	9% city tax	(541) 774-2030	(541) 774-2528
Phoenix	6% city tax	(541) 535-1955, ext. 301	(541) 535-5769
Rogue River	6% city tax	(541) 582-4401	Not available
Shady Cove	6% city tax	(541) 878-3757	(541) 878-2226
Talent	6% city tax	(541) 535-1566	(541) 535-7423

Rob Lowe

From: Michael Bollweg <sowatertech@ymail.com>
Sent: Wednesday, March 20, 2019 6:57 AM
To: Rob Lowe
Cc: Debbie Bunker
Subject: Budget for Gold Hill

Rob,

Such a challenge to find time with all that has been going on. For Budget inquiry for Operations of the treatment plant and staffing it is really impossible to know until we get a better handle on all the issues at hand and you are also inquiring about the Distribution system of which I am assuming is in still great need of repairs and maintenance but we must start somewhere.

Operation of the Water Plant itself in the summer there will be a greater demand for time and staff and the winter usually provide greater operational challenges with turbidity events. I would think budgeting \$100k a year for both disciplines would not be inappropriate for personnel services there is a lot of work to do here we are really behind the eight ball. I would hope that it comes in at 60 k which is probably close to what you are expending now. The benefit to having our staff there is that you even on long run days is that you only have to staff when need be otherwise we work on other projects as compared to having to pain someone full time and then over time once dialed in we can go in and out and a 12 hour run only requires about half in staff time and currently Debbie is super close. Also keep in mind that many of the projects below will be done by staff and not farmed out.

Projects

WTP

Chemical feed system up grades and improvements

- * Chlorine feed system/ conversion to Sodium Hypo-chlorite - \$4500/ to on site generation in the long term
- * Soda Ash chemical feed improvements replace current tank and feed pump install injector for better mixing -\$3500
- * New finished water Turbidity- \$6500
- * A MUST its costing you big monies to not have a continual pH monitoring station add the station and integrate - \$10'000
- * You will have an increase in testing this year also with the LT- \$2500
- * Cleaning of the backwash pond- \$8000
- * Cleaning of the Clear Well-\$8000
- * Building repairs- \$5000
- * Automation improvements including he install of new flow meter for B/W- \$7500

Distribution System

- * Cleaning of reservoir #3 \$10'00 I do not know if this ever got done?
- * \$35'000 dedicated to valve replacement and distribution issues and repairs such as hydrants its a start do not know what has been done since we left?

- * Grade and repair road to reservoir \$5000
- * Has your booster station seen the maintenance that it should?

These are just estimates still a lot to know and do not know where you are at financially we should discuss other capital improvements projects I have not seen the current water master plan. It should include things like a roughing filter for water plant, power alternatives for the pump station, water storage and some significant distribution projects. You also may need some assistance in the storm water arena. If we can get together Thursday, Friday after 5 or Saturday mid-day? we will be putting some water up the hill in a big way in the up coming days as both Debbie and I will be out of town until Tuesday of next week. I did this very quickly so forgive any format or typo's

Hope all is well for you!

Michael Bollweg
Owner/ Operator
Southern Oregon Water Technology
600 Rancho Vista
Grants Pass, Oregon 97526
541-415-1117
sowatertech@ymail.com

SOUTHERN OREGON WATER TECHNOLOGY LLC

3.19.19

Re: Facility report for City of Gold Hill's Drinking Water System

Summary:

The City of Gold Hill had reached out to the Public Works Director of the City of Rogue River to assist in the Operations of the City of Gold Hill Water Treatment Plant and Drinking water system in January 2019. This due to staff retiring and the staffing that was left was working 7 days a week and needed relief. The City of Rogue River Public Works Director, Michael Bollweg, offered relief in the interim as he was familiar with the facility and felt adequately capable of filling in as the City of Gold Hill was unable to find other additional options, **this was done with no charge**. Note: Michael Bollweg is also the owner of *Southern Oregon Water Technology LLC* of which had operated the system in the past. However, his time was donated by the City of Rogue River under a respect of mutual community aid as he was the only active licensed Operator in the system and was the Direct Responsible Charge of the City of Rogue Rivers Drinking water system. The agreement was to have any other staff time separate from Michael Bollweg compensable, to either *Southern Oregon Water Technology* or the City of Rogue River.

Initially the reservoir was high and there was no need to operate the Drinking water plant, so I just did the system monitoring for chlorine. While Mr Heinzman took bereavement time in the beginning of February, it became necessary to operate the plant. There were nothing but challenges, concerns, and problems with the plant. I made multiple calls and sent text to the system DRC, Mr. Terry Heinzman but got no response. Both myself and Ms. Debbie Bunker from *Southern Oregon Water Technology* made just enough water to get by until Terry could arrive back on site to take over. To this date we have never received any communication from the Operator of record as to the events or conditions of the plant that had taken place.

Within the following week a brown water complaint came in to the City. Although Mr. Heinzman was back at work, the City of Gold Hill and the OHA both reached out to SOWT to see if I could bring some clarity to the issues at hand. I texted Mr. Heinzman that if he needed assistance I was available, but again no response. The City of Gold Hill administrative staff reached out, but I told them that they had an employed Operator of Record, I did not wish to cross the line unless asked to aid in the system by the Operator of Record. By this time Mr. Heinzman had given notice to end his employment and the City of Gold Hill was again reaching out for assistance until they had a final resolve.

On February 14, it was my understanding that the Operator of record resigned (Mr. Terry Heinzman.) It was sometime in the day on Friday the 15th that we became aware that the treatment plant was in operation by City Staff. We made a request to have the facility shut down until we could arrive.

On Friday Feb 15th Ms. Debbie Bunker from SOWT arrived on site to investigate the operations of the treatment facility and the water that may have been delivered to the community of Gold Hill. The condition of the plant was poor and the analysis of water quality of what was sent to town was very disturbing. I immediately contacted state response and in turn the OHA on call person Tony and described the conditions of the treatment plant. Notifying him that extremely high chlorine residuals existed in the treatment plant and equally disturbing turbidities. I had told Tony that I wanted to issue a boil order. He declined my recommendation and although I was persistent, he insisted that it was still under 5 NTU number and the chlorine high residuals did not make it to town.

Note: Standards of treatment are a turbidity of <0.3 NTU's. 95% of turbidity readings must be below 0.3 NTU's and all turbidity readings below 1 NTU. We found 4.6 NTU's in the clear well of the finished water. The chlorine limit is 4.0 mg/L which is crazy high, and we found 5.8 mg/L when we arrived.

2.16.19

Arrived at the Treatment Plant to try and make water, the following were noted. Please remember you cannot know everything at once, and you discover things through time;

- Extremely high turbidity in the clear well finished water that was sent to town. The scaling on the turbidimeters was altered to not reflect the correct range in the computer. Historical data was inaccurate.
- High Chlorine residual water that was sent to town
- Filters inoperable due to excessive loading of turbidity
- Low reservoir levels requiring the need to make water quickly
- The Treatment plant critical shut down and phone call out alarms did not work, and the facility was able to run without critical safe guards in place.
- Historical records supported poor water quality sent to town
- Tube settlers were cemented in with heavy sediment
- Chemical feed systems had been turned to maximum feed grossly overfeeding alum

- The Chlorine feed system also was set to maximum dosing and stuffed full of spent tablets which would have uncontrolled dosing of chlorine applied to the system. The system was leaking all over the room with chlorinated water spraying across the wall.
- The Soda Ash system was filthy and had seen little service bottom of tank was cemented with sediment.
- The filter backwash system was not reliable, the packing gland on the backwash pump was spraying water across the room and the flow meter was inoperable.
- The alum chemical feed system was poorly functioning, leaking and drawing air from the suction side of the pump. The floor eroded with alum and poor distribution system at best. The system was in terrible disrepair leaking chemical.
- Flocculation chamber was cemented in and needed to be taken out of service to be cleaned as well as the tube settlers.
- Turbidity filter profiles had not been done.
- Back wash pumping system did not have flow metering and the controls system though automation was blasting the media out
- Back wash automation did not allow adequate filter to waste prior to putting system water in production
- The turbidity meters shut down were by-passed and calibrated inaccurately
- The chlorine low level alarm and system shut down were by-passed
- All laboratory control measures were suspect as the required standard for validation were absent
- Emergency auto-dialer was disconnected
- Onsite log was inadequate to defend that system was monitored properly
- The filters were a mess with heavy sediment in them, sidewalls of the tank where coated with scum from lack of house keeping and overfeeding of chemical.
- Jar testing equipment was buried in the back of the plant and there were no jar testing records and did not appear to have been used for a very long time.

I think you get the picture but just in case you don't here are a few to give you a visual and we have many more!



Figure 1 Chemical feed station Gold Hill Drinking water plant

Michael Bollweg reached out to the City Administrator of the City of Rogue River and asked for aid from public works staff to correct the immediate deficiencies so the drinking water could be made as the City was critically low on reserves. Public works staff from the City of Rogue River combined with SOWT staff took the facility down, and cleaned, serviced and put back in place all critical systems so they could function enough to at least make water manually.



Figure 2 Gold Hill Drinking Water Plant finished water access hatch



Figure 3 City of Gold Hill Drinking Water Plant finished water clear well.



Figure 4 Alum chemical feed station leaking and eating away at concrete floor, covered with alum running out doors of plant. This is after we cleaned. This has since been repaired and abandoned



Figure 5 Gold Hill Drinking water plant finished water filter



Figure 6 Build-up and scum from overfeeding chemicals and lack of maintenance



Figure 7 Backwash pond full of excessive chemicals washed out of tube settlers and filters when cleaned properly.



Figure 8 Crew from City of Rogue River on site in chem suites to disassemble and clean critical parts of plant.

Southern Oregon Water Technology staff has been working diligently to correct the deficiencies in the treatment plant. The list of needed improvements was daunting and the challenges at times seem to never end. From mechanical issues with pumps and valves, chemical feed issues, control and automation issues. Many of these items are now addressed and not a single drop of unsafe water has left the facility since our arrival. The plant was originally operated and monitored full time manually until all the critical safe guards in the automation and controls were corrected to shut down the plant in the event of poor water quality, but we still have so much to do. This report is in no way complete with all items of deficiencies and or corrections to date. The plant today looks very little like the plant that was discovered now a month ago.

Until the time that the City decides what direction they will pursue for their future as far as operations of this facility, Southern Oregon Water Technology is operating the facility and doing the distribution system monitoring. The system is under a required public notice for failure to meet water quality standard by the OHA.

The events themselves are condemning and once better understood it is reasonable to conclude that a turbidity event occurred in the river and improper operations of the facility took place. With the inability to do adequate jar testing of chemicals to address the event, it is likely that the operator progressively just turned the chemicals up to maximum feed without adequately predicting the results. With a chemical feed of alum at over 100 mg/L the alum would have consumed all the alkalinity in the water of the Rogue and the operator was doomed. Chemical treatment could not take place and the high turbidity event would have made its way through the facility unchecked as the safe guards to shut down the facility were by-passed and disarmed. The plant was very poorly maintained to begin with and one by one each component of the facility failed to function properly. One can only assume that seeing the

event occur the operator was also turning up the chlorine as the turbidity would have consumed a much greater than historical amount of chlorine, but without the automation to shut down the plant if the chlorine got too high this also was a great concern. Despite all, it would also appear the requested shut down on the day before was very timely and most of the event was limited to the plant itself. Southern Oregon Water Technology reported all events to the Oregon Health Authority upon discovery and did increased monitoring in the system including sending water samples to an outside lab for analysis. It was not great water! But it does not appear that the water would have threatened public health in the short.

It is worth stating the historical data is a bit condemning and it also needs to be further analyzed. At best, we are just trying to deal with the now and deliver safe drinking water. This could have gone terribly wrong and public health, if this event was to be allowed to continue, would have certainly been affected.

Where the City of Gold Hill goes from here is greatly in their own hands.

Michael Bollweg
Lead Operator/ Southern Oregon Water Technology

SOUTHERN OREGON WATER TECHNOLOGY EMPLOYEE PAY SCHEDULE 7.1.18

LEAD/ OWNER Michael Bollweg	\$75.00 hr
Administrative Assistant/ Debbie Bunker	\$53.50 hr
Operator 4,	\$50.00 hr
Operator 3,	\$45.50 hr
Operator 2/1	\$40.00 hr
Operator OIT/ Laborer/ Office	\$36.00 hr

Supplies equipment/ subcontractor cost plus 15% all with full transparency

PROFESSIONAL SERVICES AGREEMENT

This is a contract of employment entered into effective the ___ day of March 2019 by and between The CITY OF (hereinafter referred to as "the CITY/CITY'S") and MICHAEL BOLLWEG DBA SOUTHERN OREGON WATER TECHNOLOGY (hereinafter referred to as "Contractor"). The purpose of this agreement is to establish the mutual and respective responsibilities, terms, and conditions under which Contractor will provide Michael Bollweg to act as the certified Operator of record of The CITY Water Treatment and Water Distribution systems.

RECITALS

1. The CITY wishes to provide safe drinking water and its treatment, drinking water distribution for the residents of the City of Gold Hill.
2. The CITY desires Contractor to provide professional operation, assistance and guidance and legal oversight to the operation of the CITY'S" drinking water systems
3. To keep such system in compliance with all drinking water rules, regulations and standards.
- 3.. Contractor is an independently established business providing certified Water Treatment and Water Distribution. It is contractor's desire to provide such services to the CITY.
4. The CITY wishes to employ Contractor as an independent contractor to provide a certified Operator services to the CITY.
5. The City wishes to have Contractors supply assistance in future planning for critical infrastructure elated to its drinking water systems.
6. The CITY and the Contractor both agree and recognize that the systems in the current have extreme deficiencies and these deficiencies cannot be corrected overnight. Violation may occur because of these deficiencies and the contractor will not be held responsible for pre-existing deficiencies in the systems. The CITY agrees to make every financially viable resource available to the Contractor to correct deficiencies in the system within the CITY's reasonable control. The Contractor agrees to make as affordable as possible improvements in the system.

Therefore, the parties agree as follows:

1. RECITALS:

- 1.1** The above recitals are true and accurate and are incorporated herein by this

reference.

2. CONTRACTOR DUTIES AND RESPONSIBILITIES:

2.1 Contractor accepts employment with the CITY on the terms and conditions set forth in this Agreement, and any attachments, that may be subsequently agreed upon by the parties. Contractor agrees to oversee the general Operations and maintenance of the daily operation of the CITIES systems and perform all tasks necessary within the scope of Contractor's obligations under this contract so that the CITY'S facilities are compliant with all State and Federal statutes, rules, regulations and policies governing the operation of such public systems. Contractor shall assume beneficial occupancy and will be in Direct Responsible Charge (DRC) of the CITY'S systems. Contractor, for the purposes of this Contract, shall be the Direct Responsible Charge (DRC). Contractor represents that the Oregon certification for Michael Bollweg at a class equal to or greater than the current classification required by the state of Oregon for the CITY'S systems.

2.2 Contractor shall deliver professional assistance and guidance to the CITY Officials and staff to assist them in making all the CITY'S facilities compliant with all State and Federal statutes, rules, regulations and policies governing such systems.

2.3 Contractor shall provide licensing, labor, oversight and appropriate direction in the operation and maintenance of the CITY's facilities by Michael Bollweg, and or an appropriate replacement as approved and agreed by the CITY and the Contractor.

2.4 Contractor shall supplement or furnish all labor to perform the services required by the Contract. The CITY shall "NOT" have the opportunity to supply labor and/or Operators to assist Contractor in performing the services required by this Agreement unless mutually agreed between the CITY and the Contractor.

2.5 Contractor shall provide, as needed and when practical, skilled and semi-skilled staff to maintain cohesive and compliant operation of the CITY'S systems.

2.6 A certified Operator, either Michael Bollweg, or a competent representative of Contractor, shall be available on call 24 hours a day and be able to respond by phone in one hour. Available on site to respond to emergency as quickly as possible except for conditions beyond the reasonable control of the Contractor.

2.7 Contractor will maintain all required certifications to give oversight to the CITY'S system as required by this Contract.

2.8 Contractor shall develop if requested, within 180 days of the signing of this agreement, an Operational protocol for onsite Operations of the facilities.

2.85 Contractor shall provide a written assessment of the existing water treatment and water distribution systems within 180 days if the existing professional agreement is still in place.

2.9 Contractor shall be reasonably available to assist with long term planning “to the City’s critical infrastructure if the existing professional agreement is still in place beyond 180 days”. Assist with projects in the systems if requested by the CITY the development of a 5-year capital improvement plan as it relates to the CITY’S critical infrastructure.

2.10 Contractor shall “NOT” provide the CITY with an evaluation of the CITY employees in key areas of performance and give feedback and recommendations.

2.11 Contractor shall assist the CITY in annual budget planning if requested by the CITY.

2.12 Contractor shall review, comply, and manage its duties under this Contract pursuant to the guidelines set forth in the CITY policies.

2.13 Contractor shall maintain adequate licensing as required by the DEQ Department of Environmental Quality (DEQ) Oregon Health Authority (OHA) to maintain compliance with guidelines for Operator Certification. The cost fees education requirements of maintaining licensing for Contractor and his employees is the sole responsibility of the Contractor and NOT a pass through expense.

2.14 Contractor shall maintain complete transparency in operations and maintenance of the CITY’S systems.

2.15 Contractor shall have complete control over the access of personnel to the facilities and the CITY will disclose all persons whom have access to facilities. The Contractor reserves the right to not allow access to the facilities any persons as a term of this contract and agreement.

2.16 Contractor shall complete all reporting of documents, or delegate the reporting of documents, to the State and the CITY.

2.17 If requested by the CITY Contractor shall make a staff report(s) available and supply and make available all reports/worksheets and correspondence relating to the CITY’S systems.

2.18 Contractor, if requested shall be available for meetings as is practical for workshops or engineers’ inquiries relating to the CITY’S systems and/or State agencies, unless an unavoidable conflict of time or a conflict of interest arises.

2.19 The Contractor shall not make staffing recommendations to the CITY.

2.20 Contractor will cooperate and comply with the CITY’S security requirements and shall promptly comply with any security arrangements.

2.21 Contractor shall undertake remediation in accordance with governmental requirements and use its best reasonable efforts to mitigate problems and implement any applicable emergency plan. Contractor will not be held liable for any undiscovered, defined acts, circumstances or state that preexisted prior to the contract that were outside the Contractor's reasonable control or knowledge of for the term of this contract.

3. CITY'S DUTIES AND RESPONSIBILITIES:

3.1 The CITY shall take full responsibility and liability for the acts and actions of its employees.

3.2 The CITY shall provide all safety gear.

3.3 The CITY agrees that NO employee will see reduction in pay or be demoted from rank or status or loss of position due to this Agreement.

3.4 The CITY agrees that any Personnel issues arising from this agreement will be handled by the CITY. Both parties agree that personnel issues can consume a great deal of time and have associated liabilities that are best addressed by THE CITY.

3.5 The CITY agrees that Contractor will pass through to the CITY all expenses related to the systems for all permits, licenses, certification, inspection and/or other applicable government requirements as well as furnish any documentation, bonds, security or deposits required to permit Contractor's performance of services. THE CITY agrees to be responsible and pay for all such expenses.

3.6 The CITY and contractor shall share responsibility for safety in conducting all operations to avoid the risk of endangerment to health, bodily harm to persons, and damage to property. Contractor will immediately notify The CITY of any known activity, problem or circumstance that threatens or affects public or environmental health, or the safety or welfare of the CITY'S employees.

3.7 The CITY/ Contractor shall submit a daily report to Contractor by email/text describing the activities and essential data to adequately maintain confidence in the oversight of the system.

3.8 The CITY will make available adequate resources either in manpower or by monies to adequately secure/ protect the environment and public health subject to budgetary constraints.

3.9 Contractor and the CITY shall maintain records and accounts concerning the operation, maintenance, repair, and equipping of the CITY'S systems as provided by this Agreement. The CITY shall have reasonable and legal permissible access to all documents, records, and reports from the Contractor to the Oregon Department of Environmental Quality. The CITY shall maintain all records as specified by Oregon State retention schedule. Contractor will have all signatory authority for said reports.

and other documents, as required under State of Oregon rules.

3.10 The CITY shall provide all resources reasonably available to the CITY to the Contractor including materials, supplies, equipment, transportation, supervision, technical, professional, and other similar services for maintaining systems compliance.

3.11 The CITY agrees to use the preferred subcontractors of the Contractor as both recognize that the long-term professional relationships offer confidence in performance and affordability to the CITY and the Contractor. If the sub-contractors are not available, the a mutually agreeable alternative will be chosen. The following are those contractors;

- Electrical- Gatt Electric/ Mike Gatt, Randy Davis
- Controls and Automation- Portland Engineering/ Jeff Bruce
- Underground and Construction- Timber Mountain/ Robbie Pierce

The Contractor Guarantees the performance of the above sub-contractors

In the event that the CITY wishes Contractor to make compensation to sub-contractors or trades the Contractor will bill the CITY at actual costs plus 15% for such services.

4. LENGTH OF EMPLOYMENT:

4.1 This Agreement shall commence on the date of execution.

4.2 This Agreement is for a period of not less than 3 years from the date that this agreement is signed and shall renew automatically unless modified or written notice within 180 days of the end of this agreement is given in writing.

4.3 This Agreement may be terminated by either party at any time with cause.

4.4 This agreement is for a period of 36 months if the agreement is dissolved before that period by the CITY agrees to pay the remainder of the minimum monthly based salary remaining in the 180-day period at a rate of not less than \$50/day.

4.5 Contractor acknowledges and agrees that the CITY may terminate this Agreement as provided in Section 8 of this Agreement. If the CITY terminates this Agreement for cause, then Contractor agrees that Contractor is not entitled to any further monthly base salary or additional compensation.

5. COMPENSATION:

5.1 For services rendered pursuant to this Agreement by Michael Bollweg, the CITY shall pay Contractor monthly base compensation of \$860.00 per month. This would become due and billed 21 days after signing of the contract. This base

compensation includes DRC charge of \$430 dollars a month for each discipline.

All additional hours beyond the base for Michael Bollweg will be billed at \$75.00 an hour. Any additional staff will be billed based on Southern Oregon Water Technologies Quote for services pay scale. The base will include 4 hours of staff time for Michael Bollweg

5.2 In the event that employees of Contractor, other than Michael Bollweg, who hold the licenses necessary to perform the services under this Agreement are needed to provide the services for the City for Michael Bollweg, due to his vacation time and/or illness, Contractor will submit its billing for the time deducted from the salaried time of Contractor's other employees and Contractor will pay the cost associated with the provision of such services if the cost exceeds the current pay schedule for Contractor.

5.3 The CITY agrees to pay to Contractor a one-time contract development fee within 30 days after the execution of this Agreement. To partially compensate the Contractors costs of development of this contract in part of \$1500. July 1 of each year the contract costs will be adjusted based on the CPI at a min of 3% or the actual CPI whichever is greater for all services.

6. INDEPENDENT CONTRACTOR STATUS:

6.1 The Parties hereto mutually agree that Contractor will be free from the direction and control of the City over the means and manner of providing the services contracted for herein, subject only to the right of the City to specify the desired results.

6.2 The Parties hereto mutually agree that Contractor has the authority to hire and fire its own employees.

6.2.1 The CITY accepts that the Contractor has significant investment in its employees the CITY shall NOT offer employment of any Contractors employees (that existed prior to 365 days from this contract) for the term of this agreement and the 3 following years after this professional agreement is or may have been dissolved. IF the CITY violates this term of the agreement then the CITY agrees to compensate Contractor for not less than \$25,000.

6.3 As a condition of entering into this contract, Contractor represents to the City as follows:

6.3.1 Contractor is an independently established business for providing operation services for Drinking Water Treatment, Drinking water Distribution, Wastewater Collections and Wastewater Treatment Operations services.

6.3.2 Contractor is responsible for obtaining all assumed business registrations required by State law or local government ordinance to conduct its business.

6.3.3 Federal and state income tax returns in the name of the business, or a business schedule C, were filed for the previous year if Contractor performed labor or services as an independent contractor in the previous year.

6.3.4 Contractor has performed services for four or more different persons or businesses within a calendar year.

6.3.5 Contractor assumes financial responsibility for services provided through appropriate insurance coverage(s).

7. INDEMNIFICATION:

7.1 Contractor hereby agrees to indemnify, defend, and hold harmless the CITY and all of the CITY'S respective officers, agents, servants, and employees from any and all liability or expense on account of damage to property and injuries, including the death to any person, including any contractor or subcontractor employed by Contractor and any other person performing any part of the work under this Contract, and any and all loss, expenses, damages, claims, fines, charges, liens, liabilities, actions, causes of action or proceedings of any kind whatsoever (whether or not arising on account of damage to or loss of property, or injury to or death of person) arising directly or indirectly out of or in connection with the performance by Contractor of any of its obligations, operations or activities under this Agreement, including, but not limited to any claims for injury to persons or property, nuisance, mechanics, materials, liens, workers' compensation and unemployment taxes, fines, penalties and environmental damage. Contractor shall perform all its obligations and carry on all its operations and activities hereunder as an independent contractor and entirely at its own risk and responsibility. Contractor shall be responsible for activities of its subcontractors. Contractor further agrees to defend at its own expense any actions or proceedings brought against CITY, or its officers, agents, servants, and employees, or any of them, on account thereof and to pay all expenses to satisfy all judgments which may be rendered against them or any of them in connection therewith, except that Contractor shall not be liable under this clause only if said liability of Contractor shall arise by reason of predominant negligence of the City or any of its respective officers, agents, servants, or employees.

7.2 The CITY hereby agrees to indemnify, defend, and hold harmless Contractor and all of Contractor's respective officers, agents, servants, and employees from any and all liability or expense on account of any act or action by any person or persons employed by the CITY, or not employed by the CITY, that enter the treatment facilities without authorization, or engage in unauthorized activities related to the CITY'S systems.

8. TERMINATION:

8.1 Reasons for Termination. Contractor acknowledges that it is an "at will" independent Contractor and that the CITY may terminate Contractor's Agreement with the CITY at any time. The CITY reserves the right to terminate this Agreement at any time,

with or without notice, with or without cause and for any reason not prohibited by law.

By way of example, but not in limitation of the CITY'S rights to terminate Contractor or this contract for any reason whatsoever, grounds for termination for cause include, but are not limited to, conduct by Contractor, its employees or agents, which is seriously prejudicial to and which substantially affects the fundamental mission of the CITY including, but not limited to the following:

- (a) Fraud, dishonesty or any other act of misconduct in the performance of Contractor duties on behalf of the CITY;
- (b) Failure to perform any provision of this Contract required to be performed by Contractor; or
- (c) Conduct detrimental to the interests of the CITY.

8.2 Notice of Termination. Notice of Termination may be given in writing at least fourteen days prior to the effective date of discharge or termination. Such notice may include a statement of the reasons constituting the termination. If notice is given, Contractor shall be entitled to meet with the City Administrator to discuss such reasons and to refute, orally or in writing, such charges. Such meeting shall be at a time and place convenient to the CITY. The CITY may elect to have the CITY attorney present at any such meeting. After such meeting, the City Administrator will decide whether Contractor should be terminated, and will notify Contractor of their decision, in writing, within seven (7) working days of the meeting. If the General Manager's decision is to terminate this Agreement, Contractor may, within five (5) days after receiving the City Administrators written decision, appeal the decision to the CITY council and or Mayor of the CITY. Contractor may be represented by legal counsel at such meeting or appeal at Contractor's sole cost and expense. Such appeal may be conducted in executive session as provided by Oregon law unless Contractor requests a public hearing. Contractor shall be provided a written decision regarding the results of the meeting.

8.3 Termination by Contractor. If Contractor desires to terminate this Agreement, Contractor shall give at least fourteen (14) days written notice to the CITY unless the 14-day notification puts the contractor at an increased liability or risk of reputation or standing in the field, this as determined by the Contractor.

9. DEFAULT

9.1 Time is of the essence of this agreement. A default shall occur if:

9.1.1 The CITY fails to make any payment within 30 days after it is due, and Contractor has provided written notice to the City of such failure and the CITY has failed to make the payment due.

9.1.2 Either party fails to perform any other obligation imposed by this

Agreement, and it does not correct or commence correction of such failure within thirty (30) days after receipt of written notice from the aggrieved party specifying the way the defaulting party is in default.

9.2 In the event of a default, the grievied party may pursue one or more of the following remedies:

9.2.1 Declare all amounts payable up to the time of the default immediately due and payable.

9.2.2 Specifically enforce the terms of this agreement by suit in equity.

10. NOTICES

10.1 Any notice or other communication required or permitted to be given under this agreement shall be in writing and shall be mailed by Certified Mail, Return Receipt Requested, postage prepaid, addressed to the parties as follows:

Rob Lowe
City Administrator
City of Gold Hill 420
6th Avenue Gold Hill,
OR 97525

Michael Bollweg
Southern Oregon Water Technology
600 Rancho Vista Drive
Grants Pass, OR 97526

10.2 Any notice or other communication shall be deemed to be given at the expiration of the 2nd day after the date of deposit in the United States Mail. The addresses to which notices or other communication shall be mailed may be changed from time to time by giving written notice to the other party.

11. DISCLOSURES:

11.1 The City acknowledges and is aware that Michael Bollweg, owner of Southern Oregon Water Technology is a public employee and, as such, cannot create an actual, potential or perceived conflict of interest with his public employer. If an actual, potential or perceived conflict of interest arises between Contractor and his current public employer, then Contractor will exercise its best efforts to direct the CITY to another professional service provider.

12. ATTORNEY FEES:

In the event any action, suit, arbitration or other proceeding shall be instituted by either party to this contract to enforce any provision of this Agreement or any matter arising therefrom or to interpret any provision of this Agreement, including any proceeding to compel arbitration, the prevailing party shall be entitled to recover from the other a reasonable attorney fee to be determined by the Court or Arbitrator(s). In addition to recovery of a reasonable attorney fee, the prevailing party shall be entitled to recover from the other costs and disbursements, including all costs of Arbitration and the Arbitrator(s) fees, and expert witness fees, as fixed by the Court or tribunal in which the case is heard.

In the event any such action, suit, arbitration or other proceeding is appealed to any higher court or courts, the prevailing party shall recover from the other a reasonable attorney fee for prosecuting or defending such appeal or appeals, in addition to the reasonable attorney fees in the lower court, or courts, or arbitration proceeding, such fee to be determined by the appellate court or lower court or arbitrator, as the appellate court may determine. In addition to recovery of a reasonable attorney fee on appeal, the prevailing party shall be entitled to recover from the other costs and disbursements and expert witness fees as fixed by the appellate court. All costs and disbursements which may be awarded pursuant to this paragraph shall bear interest at the maximum legal rate from the date they are incurred until the date they are paid by the losing party.

13. AMENDMENTS:

This Agreement may be amended only by an instrument in writing executed by all the parties.

14. HEADINGS:

The headings used in this Agreement are solely for convenience of reference, are not part of this Agreement, and are not to be considered in construing or interpreting this Agreement.

15. ENTIRE AGREEMENT:

This Agreement sets forth the entire understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior understandings and agreements, whether written or oral, between the parties with respect to such subject matter.

16. SEVERABILITY:

If any provision of this Agreement shall be invalid or unenforceable in respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this Agreement shall not be in any way impaired.

17. WAIVER:

A provision of this Agreement may be waived only by a written instrument executed by the party waiving compliance. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, whether similar, nor shall any waiver constitute a continuing waiver. Failure to enforce any provision of this Agreement shall not operate as a waiver of such provision or any other provision.

18. GOVERNING LAW

This agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

19. INSURANCE:

Contractor shall, at its expense, obtain and maintain during the period of this Contract, in a form and with companies satisfactory to the CITY, the following insurance coverage:

19.1 Workers' Compensation insurance to meet fully the requirements of Oregon Workers' Compensation laws applicable in connection with the death, disability or injury of Contractor's officers, agents, servants or employees arising directly or indirectly out of the performance of this contract, with a waiver of subrogation against THE CITY;

19.2 Employers' Liability Insurance with Limits of not less than One Million Dollars (\$500,000) each accident, One Million Dollars (\$500,000) policy limit for disease, and One Million Dollars (\$500,000) each employee for disease;

19.3 Commercial General Liability Insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence and an aggregate limit of Two Million Dollars (\$2,000,000) for injury to or death of persons and damage to or loss or destruction of property. In addition, said policies shall be endorsed to name the City and its divisions, directors, officers and employees as additional insured's and shall include a severability of interests' provision and shall include a waiver of subrogation against THE CITY;

19.4 Automobile Liability Insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) each occurrence for injury to or death of persons and damage to or loss or destruction of property. Said policy or policies shall be endorsed to name THE CITY, and its divisions, directors, officers and employees as additional insured's and shall include a severability of interests' provision and shall include a waiver of subrogation against the City;

19.5 Professional Liability Insurance, with limits of not less than \$1,000,000.00 per claim and \$1,000,000.00 policy aggregate.

19.6 If Contractor's policies lapse or are canceled at any time during the term of this Contract, the City shall have the right to immediately terminate all of Contractor's activities until such insurance requirements have been fully satisfied by Contractor.

Contractor shall furnish certificates of insurance to City Administrator, certifying the existence of such insurance. Contractor shall require all subcontractors who are not covered by the insurance carried by Contractor to maintain the insurance coverage described in this Section.

No policy of insurance required by this contract shall be cancelled, suspended, voided, have coverage or limits of insurance reduced or be non-renewed without first giving thirty (30) days' notice to the City.

With respect to the insurance required by Section 19.1, 19.3, and 19.4, Contractor agrees to waive all rights of subrogation against the City and each additional insured as identified herein. With respect to the insurance required in 19.3 and 19.4 such insurance shall provide for the following: Insurance shall be primary and without right of contribution from any other insurance maintained by the CITY.

The CITY reserves the right to review, investigate and reject insurance companies and policies proposed to be used by Contractor. If companies, coverage or policies are determined inadequate to provide the necessary coverages as herein specified, The CITY reserves the right to suspend or terminate work under this contract until remedies have been provided. All insurance required herein to be purchased and maintained by Contractor shall be obtained from an insurance company licensed or authorized in the State of Oregon to issue the insurance policies for the limits and coverages required herein.

The insurance coverage required herein shall in no way limit the Contractor's liability under this Contract.

20. ARBITRATION

20.1 Any controversy or claim arising out of or relating to this Agreement including, without limitation, the making, performance, or interpretation of this Agreement, shall be settled by arbitration in Jackson County, Oregon, and any judgment on the arbitration award may be entered in any court having jurisdiction over the subject matter of the controversy.

20.2 Any party asserting a claim arising out of or relating to this Agreement, may make a written demand for arbitration. In this event, the parties shall agree to submit their controversy to binding arbitration before a single arbitrator. The arbitrator shall be an attorney licensed to practice law in the State of Oregon. If the parties cannot agree within 30 days to the selection of a single arbitrator after the election to arbitrate, either the CITY or Contractor may request that the selection of an arbitrator be made by a judge of a court

having jurisdiction. The dispute shall be heard by the arbitrator selected within 60 days thereafter, unless the parties otherwise agree.

20.3 Contractor and the CITY will pay their own costs of arbitration, and each will be obligated for one half of the arbitrator's fee. The provision of Section 12 shall also apply to arbitration; and in the event of arbitration under the provisions of this contract, the prevailing party shall be awarded reasonable attorney fees and related costs.

20.4 If an arbitration is commenced, the parties agree to permit discovery proceedings of the type provided by the Oregon Rules of Civil Procedure both in advance of, and during recess of, the arbitration hearings. ORS 183.450 (1) through (4), where applicable, shall control the admission of evidence at the hearing in any arbitration conducted hereunder, provided however no error by the arbitrator in application of the statute shall be grounds as such for vacating the arbitrator's award. Each party shall be entitled to present evidence and argument to the arbitrator. The arbitrator shall give written notice to the parties stating the arbitration determination and shall furnish to each party a signed copy of such determination and judgment, so the award may be entered in any court having jurisdiction over the parties. The parties agree that all facts and other information relating to any arbitration arising under this Contract shall be kept confidential to the fullest extent permitted by law.

20.5 The parties agree that the arbitrator shall have no jurisdiction to render an award or judgment for punitive damages. The parties agree that the decision of the arbitrator shall be final and binding on the parties and a judgment may be entered on the arbitrator's award. Unless otherwise inconsistent herewith, the provisions of ORS Chapter 36 shall apply to any arbitration hereunder. The duty to arbitrate shall survive the cancellation or termination of this contract.

IN WITNESS WHEREOF, the parties have signed duplicate originals of this Contract to become effective on the date and year hereinabove mentioned.

By _____
Rob Lowe
City Administrator
City of Gold Hill

Date: _____

By _____
Michael Bollweg
Owner Southern Oregon Water Technology LLC/ SOWT

Date: _____

2.3



Springbrook Activity

User Status: (All)

User Name	User Description	Status	Deactiva ...	P...	P...	P...	First Login	Last Login
ADMIN	SSI Admin	Active					6/22/2015	3/21/2019
Administrator		Deactivated	1/16/2018				6/22/2015	1/16/2018
Chris Stanley	Chris	Deactivated	3/21/2019				4/17/2018	3/20/2019
City Manager		Deactivated	1/16/2018				6/22/2015	6/6/2016
Dawn B	Dawn Bywater	Active					9/19/2018	3/22/2019
Denise	Denise Gomez	Active					2/11/2017	3/19/2019
Jessie Bridgham		Deactivated	9/20/2018					
Rebecca Lawson		Deactivated	9/20/2018				2/28/2018	3/1/2018
Rob_Lowe	Office Manager	Active					9/24/2018	3/22/2019
Steve	Brewster	Deactivated	10/22/20...					
Vonna Hangaard	City Recorder/Trea...	Deactivated	4/9/2018				1/16/2018	4/6/2018
WFAAdmin	Work Flow Super U...	Active						

Record of Chris' logons:

Drag a column header here to group by that column.				
Date/Time	User Name	Authenticated	IP Address	
3/20/2019 9:47:06 AM	Chris Stanley	True	172.16.104.20	
3/19/2019 4:35:33 PM	Chris Stanley	True	172.16.104.20	
1/17/2019 9:39:39 AM	Chris Stanley	True	172.16.104.20	
1/17/2019 9:39:20 AM	ChrisStanley	False	172.16.104.20	
10/31/2018 11:18:1...	Chris Stanley	True	172.16.104.20	
10/31/2018 11:17:5...	Chris Stanley	False	172.16.104.20	
10/31/2018 11:15:4...	Chris Stanley	False	172.16.104.20	
10/30/2018 3:52:00 ...	Chris Stanley	True	172.16.104.20	
10/29/2018 1:53:27 ...	Chris Stanley	True	172.16.104.20	
10/29/2018 10:50:2...	Chris Stanley	True	(N/A)	

Drag a column header here to group by that column.

Job ID	Det...	Description	Status	B	User Name	Start Date/Time	Completed Date/Time
000021...		Trial Balance Detail	Complete	F F N	Chris Stanley	3/20/2019 10:15:04 ...	3/20/2019 10:15:28 AM
000021...		Trial Balance Detail	Complete	F F N	Chris Stanley	3/20/2019 9:48:15 AM	3/20/2019 9:48:41 AM
000021...		Journal Entries	Complete	F F N	Chris Stanley	3/19/2019 5:11:31 PM	3/19/2019 5:11:56 PM
000021...		Revenue vs Expense	Complete	F F N	Chris Stanley	3/19/2019 5:07:23 PM	3/19/2019 5:07:45 PM
000021...		Budget Adjustments	Complete	F F N	Chris Stanley	3/19/2019 5:04:48 PM	3/19/2019 5:05:06 PM
000021...		Account Analysis Report	Complete	F F N	Chris Stanley	3/19/2019 5:01:02 PM	3/19/2019 5:01:23 PM
000021...		Trial Balance Detail	Complete	F F N	Chris Stanley	3/19/2019 4:43:25 PM	3/19/2019 4:43:47 PM
000021...		Trial Balance by Period	Complete	F F N	Chris Stanley	3/19/2019 4:40:02 PM	3/19/2019 4:40:40 PM
000019...		GL Distribution	Complete	F C 1. L	Chris Stanley	10/31/2018 2:56:59 ...	10/31/2018 2:57:17 PM
000019...		UB Proof List	Complete	F C 1. L	Chris Stanley	10/31/2018 2:56:32 ...	10/31/2018 2:56:51 PM
000019...		Generate	Complete	F L O	Chris Stanley	10/31/2018 2:55:51 ...	10/31/2018 2:56:38 PM
000019...		Proof List	Complete	F C 1. L	Chris Stanley	10/31/2018 2:54:33 ...	10/31/2018 2:55:08 PM
000019...		Commit	Complete	F L O	Chris Stanley	10/31/2018 2:54:22 ...	10/31/2018 2:54:23 PM
000019...		GL Distribution	Complete	F L O	Chris Stanley	10/31/2018 2:48:50 ...	10/31/2018 2:49:08 PM