

**AMENDMENT No. 1 TO YAMHILL COUNTY AND
CITY OF SHERIDAN, OR
WATER/SEWER GRANT AGREEMENT**

Contract No. _____

THIS AMENDMENT is made and entered into this 22nd day of May, 2025, by and between YAMHILL COUNTY, a political subdivision of the State of Oregon, (“County”), and CITY OF SHERIDAN, a local government, located at 120 S Mill Street, Sheridan, OR 97378 (“Recipient”) (collectively, the “Parties”).

WHEREAS, The Parties executed a WATER AND SEWER INFRASTRUCTURE (YC2021-WS-015) agreement on March 30, 2022 pursuant to Board Order NO. 22-13 for Recipient’s looping a water line and adding easement on Sheridan Road in Yamhill County (the “Contract”); and

WHEREAS, The Parties now wish to amend the Contract as provided herein; and now, therefore

THE PARTIES hereby agree to amend the Contract as follows:

1. Section I.3 of the Contract is hereby amended to extend the term of the Contract to December 31, 2026.
2. Exhibit B of the Contract is hereby amended to include Exhibit A to this Amendment No. 1, which Exhibit A is attached hereto and incorporated herein by this reference. In the event of any conflict between the language of the original Exhibit B of the Contract and the language in the attached Exhibit A, the language in the attached Exhibit A shall take precedence.

Except as expressly amended above, all other terms and conditions of the original Contract are still in full force and effect. The Recipient certifies that the representations, warranties, and certifications contained in the original Contract are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

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IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed, this Amendment No. 1 on the date indicated by their duly authorized officials.

CITY OF SHERIDAN

Kie Cottam
Signature

Kie Cottam
Name (printed)

Public Works Director
Title

6-4-25
Date

Preston Polasek
Preston Polasek
Interim City Manager
6/4/25

YAMHILL COUNTY

DocuSigned by:
Kit Johnston
Signature

Kit Johnston
Name (printed)

Chair, Board of Commissioners
Title

5/29/2025
Date

APPROVED AS TO FORM

DocuSigned by:
Christian Boenisch
By: Christian Boenisch, County Counsel

Approved by the BOC on: 05/29/2025
via Board Order No.: 25-142

EXHIBIT A

To: Yamhill County Commissioners

From: Kei Cottam, City of Sheridan

Re: ARPA agreement change request

The City of Sheridan has received advice from COG indicating that federal ARPA funds can be utilized as revenue loss this April, freeing up 1.2 million dollars for potential grant matches. To proceed with this, it is necessary to continue with the projects for which the funding was originally allocated, and this is where the county ARPA funds come into play. These projects are already in progress, having been contracted and are currently in the design phase with engineering firms. The first project, the Yamhill Street Gravity Sewer Project, has been identified in the city's wastewater master plan, water master plan, and stormwater master plan, each with their own specific components. A sum of \$500,000.00 will be allocated to cover a funding gap for this project, as the EDA grant funds that we applied for are currently uncertain in terms of availability. By utilizing the Yamhill County ARPA funds, it will be possible to cover the funding gap and ensure the continuous progress of this project.

THE PROJECT

The City has obtained a State Revolving Fund (SRF) loan from the Oregon Department of Environmental Quality (DEQ) for the design and a also a CDBG grant. Construction of a new 24-inch diameter gravity sewer main on Yamhill Street and crossing the South Yamhill River is badly needed. The current pipe size is undersized and causing the sewer main line to surcharge during heavy flows. The city is also upsizing water lines on this street to increase the fire flows and future expansion. There is also a stormwater component to increase in size for capacity issues.

The purpose of this project is to reduce the potential sanitary sewer overflows into the South Yamhill River, as well as the potential for incidences of non-compliance and allow for future and much-needed growth within the City. This project was identified in the 2014 Wastewater Facilities Planning Study (WWFPS) as a priority capital improvement project and will upsize 3,700-linear feet (LF) of existing 15-inch-diameter and 18-inch-diameter gravity sewer pipes to 24-inch-diameter pipe between NE Hill Street and NE Cherry Road. This sanitary sewer trunkline is a primary crossing of the South Yamhill River to the City's wastewater treatment plant, conveys flows from the northern half of the city, and regularly experiences surcharge during high flow events. If not replaced, anticipated population growth and infrastructure age will eventually increase the incidence of sanitary sewer overflows within public street right-of-way and the South Yamhill River, impacting the environment and surface water quality; and reduce the ability of the city to promote much-needed economic diversity, opportunity, and growth.

The objective of this project is to ensure access to safe drinking water while safeguarding the environment from leaks and overflows from sewer pipes. It will also provide sidewalks leading to the city's primary park. Moreover, the initiative seeks to improve fire safety for residents of Sheridan and those living in the adjacent areas of Yamhill County, particularly along the eastern border. Upgrades to stormwater management will also mitigate flooding in this region. In summary, the enhancements to utilities, sidewalks, roadways, and emergency services will significantly contribute to making this neighborhood more livable and secure.

Project; Ballston Water Pump Station SCADA

The Ballston Pump Station has a crucial role in maintaining minimum operating pressures during major fire flow events at the Federal Correctional Institution (FCI). Furthermore, it serves as a backup water supply for the city water system located south of the Yamhill River in the event of any issues with the pipeline crossing the river from the north. On a daily basis, the pump station is operated either manually or through a timer to facilitate turnover within the tank, which is essential for preserving water quality. Unfortunately, the Programmable Logic Controller (PLC) responsible for automating the pump station is currently non-functional, rendering the station capable of only manual operation at this time.

During the Council Meeting on November 18, 2024, the City Council proposed to allocate ARPA Funding for various projects, one of which is the Ballston Pump Station Automation Control Project. Following this, on December 2, 2024, Civil West informed the Council that the Ballston Pump Station is not in Oregon Health Authority compliance due to the malfunction of the Programmable Logic Controller (PLC), which is responsible for automating the pump station, and the absence of necessary alarm software to notify the City in case of low chlorine levels or other emergencies.

Civil West has presented a comprehensive scope of work for the PLC Improvements project at the Ballston Pump Station. Initially, ARPA Funding was intended for this project; however, the City has redirected these funds for revenue replacement purposes. We propose reallocating \$400,000.00 from county funding to support the Ballston Pump Station PLC Improvements Project. This initiative aims to enhance community safety and provide first responders with a reliable water source for fire suppression. Consequently, the City plans to divide the funds designated for the Sheridan water loop project, as an alternative funding source has been identified for that initiative. The essential water loop on Sheridan Rd will still be completed, requiring only \$100,000.00 from Yamhill County to address the funding shortfall.

In total, we will execute four projects utilizing ARPA funding from Yamhill County: the water loop (\$100k), SCADA improvements (\$400k), gravity sewer enhancements (\$500k), and the finalized water master plan (\$185k).