



**ROATS**  
WATER SYSTEM

February 28, 2024

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High Street S.E.  
P.O. Box 1088  
Salem, OR 97308-1088

**RE: UI 468 Amended Affiliated Interest Application Filing**

Roats Water System, Inc., submits this filing to include additional language related to annual salary increase. The new language is noted on page 2 of the amended application.

Sincerely,

William K. Roats  
Owner/President



## AMENDED AFFILIATED INTEREST CONTRACT APPLICATION

DATE: February 28, 2024

COMPANY NAME: Roats Water System, Inc.  
ADDRESS: 61147 Hamilton Lane  
CITY, STATE, ZIP: Bend, OR 97702

**RE:** UI 468 - **Roats Water System, Inc.**, Amended Affiliated Interest Application with **William Casey Roats** pursuant to ORS 757.495 and OAR 860-036-2210

This affiliated interest application is submitted in the manner and form indicated by OAR 860-036-2210.

### INFORMATION REQUIREMENTS

- (a) The applicant's exact name and the address of its principal business office;  
*(Utility's exact name and address.)*

Roats Water System, Inc.  
61147 Hamilton Lane  
Bend, OR 97702

- (b) The name and address of the person authorized on the water utility's behalf, to receive notices, inquiries, and communications regarding the information;

William K Roats  
61147 Hamilton Lane  
Bend, OR 97702

- (c) A statement describing the relationship between the water utility and the contracting entity as defined by ORS 757.015 and 757.490;

William C Roats is a Roats Water System, Inc., shareholder and an at-will W2 employee. As an employee of the company, he receives a salary, vacation and sick benefits, 100% health/dental/vision insurance coverage and the 3% 401K company contribution match.

CPI Annual Adjustment - The Company may escalate both the salary and compensation amounts on an annual basis at a percentage not to exceed the annual Consumers Price Index – All Urban Consumers (CPI-U) published by the U.S. Bureau of Labor Statistics (BLS).

WCR's salary was incrementally increased in October 2022 to reflect allowed annual CPI increase, comparable employment positions, AWWA Small System compensation comparisons, cost of living in Bend, Oregon while also considering potential burden to customers and company financials.

See below for salary, health insurance benefits, and 401K company contribution match.

**Oct 1, 2022 - Sept 30, 2023**

	<b>Salary</b>	<b>Health Insurance Benefits</b>	<b>Company 401K Contribution</b>
William Casey Roats	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

RWS amended the payroll schedule in December of 2022 to change the monthly payroll run date from the first of the month to the last day of the month. There were 2 payroll runs in December 2022. In the timeframe of Oct 2022 to Sep 2023, this resulted 13 payroll runs instead of 12. The actual annual salary for William Casey Roats is [REDACTED] with 3% company match being [REDACTED] each in a 12 month period.

WCR is the Vice President and Plant Superintendent of Roats Water System, Inc., Distribution II certified water operator and company service manager. His primary responsibilities include but are not limited to:

- Acts as the Direct Responsible Charge (DRC) for the system's water distribution operation. As such, this position requires a Distribution II certification with greater/more complex specialized knowledge and certifications than field service members.
- Responsible for all aspects of the water operations, process controls, delegation of shift duties, and human resource and evaluation recommendations for employees.
- Coordinates with general manager, board and consults to make decisions regarding system upgrades or modifications. Responsible for compliance and monitoring reports.
- Possesses State of Oregon Water Distribution II operator's license.
- High level responsibility and decision-making authority.
- Develops and implements procedures to improve efficiency of field operations and maintenance activities; assesses, monitors and evaluates service delivery methods and procedures; directs and implements quality assurance and other various programs to ensure compliance with Federal, State and Local laws, permits and regulations.
- Evaluates complex technical and/or financial information and alternatives related to policy development, strategic planning, and designs of new or upgraded treatment facilities.

- Performs a variety of skilled management and working level functions in the maintenance and repair of the district's water distribution system to ensure the safety and quality of the domestic and irrigation water supplies.
- Supervise all tasks and personnel of the water transmission and distribution functions.
- Directs, trains and supervises field and mechanic service team.
- Operates, monitors, and controls the operational activities of the water systems and associated equipment such as pumps, disinfection equipment, electric motors, at wells, reservoir, and booster sites in accordance with department operating plans and procedures.
- Conducts inspections of the water system and related equipment including pumps and water tank; monitors water tank levels, water quality, and functioning of equipment; Locates and repairs leaks in water main and/or service lines.
- Obtains water and/or chlorine samples in accordance with regulatory requirements.
- Maintains and operates water system and water production equipment.
- Responsible for repair and maintenance on all types of valves, pumps and equipment including chlorinators, evaporators, and hydraulic valves, and fans; repairs raw water booster pumps and chlorine injection pumps used in the disinfection of water.
- Manages repairing and maintaining fire hydrants, valves, and chlorine analyzers.
- Provides assistance to contractors, developers, and landowners in locating water, power and sewer lines; assists customers and/or the public regarding water related issues and complaints.
- Conducts installations/inspections of new service lines, water main extensions, and/or meter installations.
- Reads water meters and reports usage for billing purposes; re-reads meters as requested.
- Performs service order work including turning on new service, disconnecting service for repairs, and changing out meters.
- Prepares and maintains a variety of departmental reports, records, and documentation.
- Promotes and observes safe work methods and uses safety equipment; secures work sites as necessary; attends safety committee meetings, actively participates in and may conduct tailgate trainings
- Oversees and manages telemetry system and coordinates with outside programming contractor.
- Manages the utility field operations, including strategic direction and goals, operational execution and program development for maintaining and repairing in-ground and above ground infrastructure.
- Directs and monitors employee activity and equipment operations to ensure safe practices; ensures that facilities maintain operational reliability. Provides regular feedback on performance, including frequent informal feedback, performance reviews, assists with professional development, and makes recommendations for employee separations, promotions or special assignments.

- Manages the efficiency and effectiveness of the department's service to its customers.
- Complies with safety requirements of the position and actively promotes safe work practices.
- In an emergency event or an officially declared State of Emergency, responds to ensure the restoration of essential public services, facilities and infrastructure.
- Coordinates and responds to emergency utility situations, after-hours calls, or special requests as needed.
- Other related duties as assigned.

Additionally, WCR has the following skills and experience for the Vice-President and Plant Superintendent position:<sup>1</sup>

- Helped lead the growth and development of the Company for over 24 years.
- Comprehensive and intricate knowledge of Company's distribution system.
- Experienced Water Distribution 2 certified operator, Cross Connection Inspector and Backflow Assembly Tester.
- Institutional knowledge of the Company that was developed through years of serving in all Company capacities including field service crew and front office management, system management, excavation and physical system development, work with outside vendors/agencies and customer relations.
- Backflow Assembly Tester.
- Water Distribution II Operator.
- Certified Cross Connection Specialist.
- Bend City Councilor 2014 – 2018.
- City of Bend Mayor 2016 – 2018.

(d) The amount, kind, and ratio to total voting securities held, if applicable;

15 shares

(e) A list of all officers and directors of the affiliated interest who are also officers or directors of the applicant;

William Keller Roats  
Shirley Elaine Roats  
William Casey Roats  
Michelle Roats Berg

(f) The pecuniary interest, directly or indirectly, of any officer or director who is a party to the contract;

None. No dividends are currently being paid.

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<sup>1</sup> See response to IR 03

- (g) A description of the goods or services to be provided, the cost incurred in providing each of the goods or services, the market value of the goods or services if different from the costs, and the method or methods proposed for pricing those goods or services;

None. Currently a W2 employee of Roats Water System, Inc.

- (h) An estimate of the amount the water utility will pay annually for the goods or services and the accounts in which it will record the charges;

None.

- (i) The reasons, in detail, relied upon by the water utility for procuring the proposed goods or services from the affiliate and benefits, if any, utility customers and the general public will derive from the provision of goods or services,

None.

- (j) A description of the procurement process and the reasons, in pertinent detail appropriate to the complexity of the procurement, relied upon by the water utility for procuring the proposed goods or services without a competitive procurement process, if such a process is not used.

None.

- (k) Transfer prices in contracts or agreements for the procurement of goods or services under competitive procurement shall be presumed to be the market value, subject to evaluation of the procurement process;

None.

**ATTACHMENTS**

- (l) A copy of the proposed contract or agreement between the water utility and the contracting entity; and

none

- (m) Copies of all resolutions of directors authorizing the proposed transactions and, if stockholders' approval has been obtained, copies of the resolutions approved by the stockholders.

none

For the reasons set forth above, Roats Water System, Inc., (*Company Name*) respectfully requests that the Commission issue an order approving the affiliated interest contract between, Roats Water System, Inc., and **William C Roats** pursuant to the provisions of ORS 757.495 and OAR 860-036-2210.

DATE: 02/28/2024

NAME OF COMPANY: Roats Water System, Inc.

/s/ William K Roats  
(SIGNATURE OF AUTHORIZED PERSON)

William K Roats  
(PLEASE PRINT NAME)

Owner/President  
(TITLE)