



**SOUTHWEST LINCOLN COUNTY WATER PEOPLE'S UTILITY DISTRICT
(SWLCWPUD)**

7740 HIGHWAY 101 NORTH, YACHATS, OR // PO Box 368 Waldport, OR

www.swlcwpud.org

541-547-3315



**BOARD OF DIRECTORS MEETING AGENDA
15 February 2023 – 10:00 AM**

The regular meeting will be held at the District Office, 7740 Hwy. 101 North, Yachats, OR

- 1. REGULAR MEETING CALL TO ORDER**
 - a. Determine Quorum Present
 - b. Conflict of Interest Declarations
 - c. Agenda Changes and Agenda Approval – Action Item
 - d. Note Guests Present
 - e. Review and Approval of January Minutes – Action Item
- 2. PUBLIC INPUT – Public Input (limited to 5 minutes per speaker)**
- 3. TREASURER'S REPORT**
 - a. Review and Approval of Disbursements – Action Item
 - b. Monthly Financial Report – Action Item
 - c. Treasurer Report/Update
- 4. DISTRICT MANAGER'S REPORT**
 - a. Valve Project
 - b. Waterline Improvement Project funding update
 - c. SDC
 - d. Staff Certification
 - e. Hydrant Flushing and Testing
- 5. OTHER NEW BUSINESS for BOARD CONSIDERATION**
 - a. Newsletter
 - b. Bank and Credit Card Changes
- 6. Other Old Business for Board Consideration**
 - a. Renewable Energy
 - b. Redistricting
 - c. Vacation Rentals
- 7. CORRESPONDENCE AND REPORTS**
- 8. OTHER ITEMS OF INTEREST**
- 9. ADJOURNMENT**

February 7, 2023

SOUTHWEST LINCOLN COUNTY WATER PUD (SWLCWPUD)
7740 HIGHWAY 101 NORTH, YACHATS, OR - PO BOX 368, WALDPOR, OR 97394-0368

www.swlcwpud.org

541-547-3315

BOARD OF DIRECTORS MEETING

15 Feb 2023 – 10:00 AM

1. REGULAR MEETING CALL TO ORDER	President Cuellar called the meeting to order at 10:00 AM.
a. Determine Quorum Present	President Cuellar deemed that a quorum was present: President Cuellar, Vice President Anthony, Director Tucker, Director Turner and Director Sherkow.
b. Conflict of Interest Declarations	None
c. Agenda Changes and Agenda Approval – Action Item	Director Sherkow asked that a new Item #4f be added concerning the next Legislative Request. DM Anderson asked that the issue of Truck Surplus & Purchase be added as Item #4g. Director Tucker asked that an Item #4h be added related to Staffing. Director Sherkow moved that the Agenda be approved as amended. Vice President Anthony seconded the motion. Motion passed unanimously.
d. Note Guests Present	None
e. Review and Approval of January Minutes – Action Item	Vice President Anthony moved and Director Tucker seconded a motion to approve the January Board meeting minutes.
2. PUBLIC INPUT – Public Input (limited to 5 minutes per speaker)	None
3. TREASURER'S REPORT	
a. Review and Approval of Disbursements – Action Item	Director Sherkow moved and Director Turner seconded a motion to approve the Monthly Disbursements. Motion passed unanimously.
b. Monthly Financial Report – Action Item	Director Sherkow pointed out some minor issues related to calculations about annual variances for some employees paid to date. He asked DM Anderson to look at it and make corrections if necessary. Director Sherkow moved that the Monthly Financial Report for January be approved. Vice President Anthony seconded the motion. Motion passed unanimously.
c. Treasurer Report/Update	<p>Director Turner expressed his concern that the cash balance was getting too low and wanted the DM to produce a cash flow forecast for the next few months. DM Anderson noted that there were some large transactions anticipated in the next few weeks, including the purchase of an excavator and the reimbursement by BizOR for the past expenses related to the bolt replacement project (~\$64,000). He believed that the cash flow levels would improve toward the end of the fiscal year.</p> <p>Director Turner requested that the Board have a Budget Workshop soon in order to revamp the budget framework. DM Anderson noted that the PUD was undertaking quite a few projects that had been postponed over the last number of years (i.e., deferred maintenance) and was now catching up, thus, spending more now. It was also noted that money was spent on preliminary engineering and grant application work in order to get projects ready for potential outside funding. President Cuellar recalled that the Master Plan represented a 20-year horizon and that the PUD should not expect to do a significant amount all at once.</p>

<p>- USDA Loan</p>	<p>Director Turner asked if the Reconciliation Report (part of the monthly Disbursement material) was necessary for the Board to look at, and noted that other material (e.g., credit card and check transactions) were still provided for review. President Cuellar noted that she thought that the Reconciliation Report was of value for the Board’s review.</p> <p>Director Sherkow noted that the Board took action last year to prepare the PUD for the upcoming budget process, and distributed an excerpt from last June’s meeting:</p> <p><i>From June 15, 2022 Board Meeting:</i> <i>“After some discussion, Director Sherkow moved that the budget process going forward use the March CIP inflation data (available in early April) to establish budget targets, and that, if necessary, a final adjustment could be made using the May CIP data if the change was noticeably different. Seconded by President Cuellar. Motion passed unanimously.”</i></p> <p><i>“After additional discussion, Director Sherkow made an additional motion to establish a 60 to 90-day budget calendar preceding each upcoming fiscal year and any changes in water rates be considered in March/April timeframe for the upcoming fiscal year. This would be coordinated with the release of the initial budget statement by the DM. Seconded by Director Turner. Motion passed unanimously.”</i></p> <p>He distributed a draft schedule with various events that could be scheduled for the meetings from March to June (See attached). After a brief discussion, it was the consensus of the Board that Director Turner and DM Anderson would schedule a Budget Workshop (to overhaul the Budget framework) on or about March 1, 2023, and that the draft schedule (attached) concerning upcoming budget, future priorities, and water rates for FY 2024 be used as guidance for Board agendas for the next 4 months.</p> <p>Director Tucker asked if DM Anderson could discuss with USDA the possibility of transferring the responsibility of the loan repayment from the Water District to the PUD. He believed that this would clear the way for the elimination of the Water District, and could be a moneysaving and administrative reduction means. It would also eliminate extra Board meetings and the cost of the elections. The Board discussed the matter and determined that although it may be difficult and cost more (e.g., bond underwriters and attorneys), it was worth asking USDA the question and see what the process entailed. However, it was suggested that this discussion with USDA be held over until after July 1st given the other activities associated with the budget between now and then.</p>
<p>4. DISTRICT MANAGER’S REPORT</p>	
<p>a. Valve Project</p>	<p>DM Anderson said that the Valve Replacement project was almost ready for advertising and release of the Bid Package. It would probably happen in the next few weeks.</p>
<p>b. Waterline Improvement Project funding update</p>	<p>DM Anderson reported that he had had fruitful discussions with BizOR staff and that they were near to a final agreement about financial arrangements for the \$5,984,000 package, including approximately \$3,266,092 in a “forgivable loan” (i.e., grant) and \$2,717,908 in a loan at 1% interest over 30 years. He distributed an email from the BizOR staff (Feb.14, 2023) outlining the financial pro forma.</p>

	<p>He also noted that this package included that for the period on the loan that overlapped with the existing USDA loan only the interest on the new State loan would be due. This would take financial pressure off of the PUD to be paying off two major loans simultaneously (FY 23-26). The package drawdown was projected to be as follows: FY23-\$1,496,000; FY24-\$2,992,000; and FY25-\$1,496,000. This was all subject to final approval by the BizOR management. He also noted that this grant/loan would be the first processed in Oregon under the new Federal Infrastructure Act.</p> <p>It was suggested that the PUD customers and stakeholders be made aware of this and that a media relations event be planned. DM Anderson also noted that the project would be on the agenda of the April 5th meeting of the Infrastructure Finance Authority (IFA) in Salem, and that a representative from PUD should plan to appear before the IFA Board.</p>
c. SDC	Civil West Engineering has started this work.
d. Staff Certification	DM Anderson told the Board that Mike W. had passed his Backflow certification test and would take the Water Distribution 1 certification test in the next month.
e. Hydrant Flushing and Testing	DM Anderson advised the Board that staff is testing each hydrant to ensure good working condition. After that, they will test the pressure and flows and install 2 replacement hydrants.
f. Legislative Request	Director Sherkow told the Board that he was contacted by Rep. Gombert and asked for a dollar figure for PUD needs for the new Legislative session. Director Sherkow said that he coordinated with DM Anderson and decided to use the Dick's Fork Tank replacement from last year's effort as the selected priority. The estimate from DM Anderson was \$3.8 M. More details as they become available.
g. Truck Surplus & Purchase	<p>DM Anderson briefed the Board on the status of two PUD service trucks. These two trucks are at the end of their usable life, should be declared surplus, and sold:</p> <ol style="list-style-type: none"> 1. 2006 Dodge Dakota VIN: <u>1D7HE22K36S613490</u> 2. 2011 Dodge Dakota VIN: <u>1D7RE2BK4BS685555</u> <p>In addition, DM Anderson used the Oregon Cooperative Procurement Program (ORCPP) to procure a new truck, previously owned by ODOT:</p> <ol style="list-style-type: none"> 1. 2011 Chevy Colorado (4 wheel-drive) VIN: <u>1GCHTCFE3B8138621</u> <p>After some questions and answers, Director Sherkow moved and Director Tucker seconded a motion to declare the two Dodge trucks as surplus and to be sold, and approve the purchase of the Chevy truck. Motion passed unanimously.</p>
h. Staffing	Director Tucker brought up the possibility of using high school or community college students as potential summer help for the PUD as part of a youth employment program. After some discussion, it was decided that Director Tucker and DM Anderson would work together on the program, and advising the Board at a future date.
5. OTHER NEW BUSINESS for BOARD CONSIDERATION	
a. Newsletter	Director Tucker said, with all of the activities happening with the PUD, that a printed newsletter should be considered, similar to that used by the Port of Alsea. This would be in addition to the news provided on the back of the monthly water bill. President Cuellar gave the Board some information about the Port's newsletter, including a printing and mailing cost of about \$2,500 for 5,400 copies done by Pioneer Printing.

b. Bank and Credit card Changes	President Cuellar advised the Board that Columbia Bank (used by the PUD) was going to be merged with 1 st Security Bank on Feb. 27 th . She advised the Board to wait to change over the PUD credit card held by Director Tucker to her until after the bank merger had happened. There was some discussion about the possibility of more benefits and cheaper interest rates at that time. However, there were issues identified by DM Anderson and staff about the payroll checks issued just before the bank change and that there may be a disruption with the Intuit interface which could cause difficulties in making the payroll tax payment. President Cuellar and staff will be on the lookout for problems and possible ways to address them as they arise.
6. Other Old Business for Board Consideration	
a. Renewable Energy	Director Sherkow said that he reapplied to ODOE for a Renewable Energy Planning Grant on Feb. 13 th (deadline Feb. 15, 2023). The past application material was used and refined based on feedback received. A new support letter was received from CLPUD for inclusion. The application review process is expected to take several months. This time the PUD requested \$40,000 from the ODOE with additional \$20,000 from PUD if necessary.
b. Redistricting	DM Anderson told the Board that he and Director Tucker worked out prospective district subdivision boundaries using the GIS mapping tool. That information was turned over to Corey Blake (Associate to Peter Gintner, PUD attorney) in order to generate the required legal description in narrative form of the subdivision boundaries. The work is underway.
c. Vacation Rentals	DM Anderson advised the Board that letters went out to those customers that were on the short-term rental list at the Sheriff's Office. He is waiting for responses, and will report back to the Board.
7. CORRESPONDENCE AND REPORTS	
None	
8. OTHER ITEMS OF INTEREST	
The next meeting was scheduled for March 8, 2023.	
Director Sherkow requested that an Executive Session be scheduled as part of the next meeting to discuss the DM's performance.	
9. ADJOURNMENT	
President Cuellar adjourned the meeting at 11:35 AM.	

Roxie Cuellar, Board President
 Roxie Cuellar, Director Subdivision 1

Date 3/8/23

Franklin Sherkow, Board Secretary
 Franklin Sherkow, Director Subdivision 4

Date 3/8/23