



**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
13 September 2023 – 10:30 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 August Meeting 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. Water Main Break Update
 - b. Valve Project Update
 - c. Waterline Improvement Project Funding Update
 - d. Fire Hydrants
 - e. System Development Charge
- 5. OTHER NEW BUSINESS for BOARD CONSIDERATION**
- 6. OTHER OLD BUSINESS for BOARD CONSIDERATION**
 - a. City of Yachats Water: Summer Usage Agreement
 - b. Renewable Energy Grant
- 7. CORRESPONDENCE AND REPORTS**
- 8. OTHER ITEMS OF INTEREST**
- 9. ADJOURNMENT**

All regular and special meetings are open to the public.
If you need any assistance or would like to attend a Board meeting remotely, please contact the SWLCWPUD Office at 541-547-3315 or email office@swlcwpud.org

September 6, 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
13 September 2023 – 10:15 AM

1. REGULAR MEETING CALL TO ORDER	President Cuellar called the meeting to order at 10:15 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	Add a new section #5. Item #5a – Add Res. No. 24-01. Move Item #6a – Yachats Water to be discussed before #2. Renumber sections after #5.
d. Note Guests Present	Pete Gintner (Board Legal Counsel) – departed at 10:40 AM
e. Review and Approval of August Meeting Minutes – Action Item	Director Turner asked that a word “ta” in item #4d (August minutes) be corrected and that if future meeting minutes, if a Board discussion does not result in a conclusion, state that outcome. Motion by Director Turner and seconded by Vice President Anthony to approve the minutes as amended of the August Board Meeting minutes. Motion passed unanimously.
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 Turner moved that the August Disbursements be approved. Director Sherkow seconded the motion. Motion passed unanimously.
b. Monthly Financial Report – Action Item	DM Anderson and Director Turner discussed the need for a correction in the Current Surplus line for the Construction Fund page of the Financial Report. Director Sherkow moved that the August Financial Report be approved as amended with the correction on page 8. Vice President Anthony seconded the motion. Motion passed unanimously.
c. Treasurer Report/Update	Director Turner briefed the Board on the cash flow projection.
4. DISTRICT MANAGER’S REPORT	
a. Water Main Break Update	<p>DM Anderson reported that multiple breaks and leaks were experienced in the water main from Wakonda Beach to the Dick’s Fork tank. It stretched over approximately 3,000 feet and could cost about \$38 per foot to replace it. He also said that he was in contact with BizOR staff to request a change in the funding agreement now in its final approval stages. He noted that the State would be considering scope and environmental issues in its decision to place this line in the funding agreement. The breaks and leaks were caused by substandard PVC pipe installed several decades ago.</p> <p>President Cuellar inquired about how likely it was for the State to approve such a change in the project scope. DM Anderson felt confident that the approval would be made and was prepared to make whatever administrative changes would be necessary.</p>

	<p>He also noted that an additional 7,000 feet of pipe in the vicinity of the Waldport Industrial Park should also be considered for replacement. The cost could be in the millions of dollars and could involve excavating along several streets.</p> <p>Director Turner commended staff for their hard work and diligence in tackling the leaks and breaks. He also noted that there should be more than a single pipe to supply water to customers (i.e., have loops in the system) so as to minimize disruptions to service.</p> <p>Director Sherkow asked that affected customers in the Read Dr. area be notified about the situation and that the PUD was working on short- and long-term solutions.</p> <p>DM Anderson reported that about 63 hours in overtime had been accumulated due to the incident.</p>
<p>b. Valve Project Update</p>	<p>The contractor is scheduled to begin work on Sept. 14, 2023.</p>
<p>c. Waterline Improvement Project Funding Update</p>	<p>Funding is in place. DM Anderson noted that the funding Resolution should be approved and signed, and several other minor details dealt with. He will work on shifting the scope to recognize the water line that experienced the breaks and leaks.</p>
<p>d. Fire Hydrants</p>	<p>DM Anderson said that at a couple of valve bolt locations, the valves are connected to hydrants which also need to be replaced. In addition, some hydrants are connected to the valves with AC pipes. These will be replaced, and staff is working on several other hydrant replacements.</p>
<p>e. System Development Charge</p>	<p>President Cuellar and DM Anderson met with representatives from Civil West Engineering. They proposed that Civil West continue the SDC analysis. After some discussion, President Cuellar stated her preference for the Board to approve of this action. She stated that, in her opinion, the SDC methodology should be simple and straightforward so as to minimize potential legal challenges and get the new SCD charge in place as soon as possible (at least 90 days after the Board approval of a new fee level).</p> <p>Director Sherkow stated that the Board was told that the SDC analysis would address the question of a “build-out” scenario so that the PUD could consider how much water was available compared to the ultimate demand within the district. It appeared to him that the current study scope would not accomplish that goal. In addition, he said that the reliance on a population projection for the area would not be a suitable or accurate surrogate for future demand and, therefore, would not reflect how much capital investment should be made. In his opinion, because the area had so many water users that were seasonal or periodic (e.g., heavier use in summer months and long weekends), it was important to determine the number of water users and their relative location (portion of the district north or south). This might mean a different SDC fee for different parts of the district. He also noted that Director Tucker possessed data from the County related to how many “buildable” and “unbuildable” lots were available. In addition, he noted that a certain number of “unbuildable lots” (e.g., due to failure to pass a septic test) could become “buildable” in the future due to advances in septic technology and the willingness by the owners to spend more on resolving land use issues because of the increase in land values.</p> <p>Director Sherkow said he wanted to have the answer about the ultimate “buildout scenario” in order to do accurate long-range plan development. He moved that the Board continue with the Civil West SCD analysis and pledge itself to working on the “buildout” analysis as part of budgeting for the next fiscal year.</p>

	<p>DM Anderson and Director Tucker agreed that the “buildout scenario” would be good information to have, but Director Tucker and other Board members were unwilling to link it to the current SDC analysis or make budget commitments for the next year. After some discussion, the motion died for a lack of a second.</p> <p>Director Tucker moved, and President Cuellar seconded, a motion to have Civil West Engineering continue their SDC analysis to a conclusion. Yes - President Cuellar, Vice President Anthony, Director Tucker, and Director Turner. No - Director Sherkow. Motion was approved.</p>
<p>5. RESOLUTIONS (No. 24-01)</p> <p><i>Authorizing SWLCWPUD a Loan from the SDWRLF via a contract with the OIFA</i></p>	<p>The State supplied a draft resolution for consideration. Several items needed to be filled in and the signature was contingent on the publication of the resolution or notice of the resolution in a local newspaper. A revised version was provided by staff and DM Anderson was tasked with getting the proper publication done as soon as possible, at which point President Cuellar would sign the document and staff would return it to the State for execution.</p> <p>Director Turner moved, and Vice President Anthony seconded, a motion to have the President sign Resolution No. 24-01 for a loan from the State Drinking Water Revolving Loan Fund for not more than \$5,984,000. After newspaper publication and signature, it would be returned to the State. Motion passed unanimously.</p>
<p>6. OTHER NEW BUSINESS for BOARD CONSIDERATION</p>	
<p>a. Public Meetings</p>	<p>Director Sherkow brought up the issues surrounding new legislation concerning public meetings, notices, and other related items. The Oregon Government Ethics Commission (OGEC) has a new role in enforcement of the State law provisions. Rules and training from the OGEC are anticipated. After some discussion, Director Sherkow requested that the item be carried over to the next month's meeting and that interim local procedures and practices be developed and adopted.</p>
<p>b. Procurement Rules</p>	<p>Director Sherkow distributed a chart to aid Board and staff in quickly analyzing the type and level of procurement which will help in understanding the procedures to apply in accordance with State laws and regulations. He noted that, according to the SDAO training, a local set of procurement rules could be adopted which could be less burdensome than following the Attorney General's standard rules.</p> <p>President Cuellar offered to ask Mr. Gintner (Board Legal Counsel) if he has access to local procurement rules used by CLPUD or others which SWLCWPUD could consider.</p>
<p>7. OTHER OLD BUSINESS for BOARD CONSIDERATION</p>	
<p>a. City of Yachats Water: Summer Usage Agreement</p> <p><i>2023 Supplemental Water Supply Agreement with the City of Yachats</i></p>	<p>Mr. Gintner (Board Legal Counsel) briefed the Board about a draft agreement between the PUD and the City of Yachats related to the purchase of water for 2023. DM Anderson made several comments about the situation. This was meant to be a short-term arrangement to handle possible water needed by the City short of a declared emergency (which would be addressed by a Mutual-aid Agreement). The Board still expected that a long-term agreement would be negotiated with the City in the coming months. Several Board members requested changes so that the PUD did not give the impression that the 2023 Agreement would be re-adopted annually. They said that this was not the Board's intention.</p>

	Changes were drafted by Mr. Gintner, typed by staff, and distributed to the Board for consideration. After a brief discussion, Director Tucker moved, and Director Sherkow seconded, a motion to approve the agreement and submit it to the City for its consideration. The PUD would sign after the City Council's approval. Motion passed unanimously.
b. Renewable Energy Grant	Director Sherkow and DM Anderson briefed the Board on progress made thus far concerning this project. In-pipe micro-hydro electric turbines are being investigated, but may not be feasible due to the low head and flow at key locations. However, work with a solar energy provider, Green Ridge Solar, had proceeded and may result in a viable project. A field inspection trip by the solar provider was schedule for 1 PM, after the Board meeting. The target installation location would be the Blodgett site. The fact that the power at that site is 3-phase may complicate the project, especially the possibility of installing a back-up battery. Limitations of the site and tree-produced shadows may limit the level of solar power production. Board members asked a few questions. Director Sherkow said that more information would be available at the next meeting.
8. CORRESPONDENCE AND REPORTS	None
9. OTHER ITEMS OF INTEREST	<p>Director Sherkow asked that staff track SDAO announcements and other sources for grant programs that could be taken advantage of.</p> <p>Director Tucker asked DM Anderson if the District's Ord. No. 1 – Backflow was necessary due to the fact that the State law covers the same requirement. DM Anderson said the District's Ordinance could reasonably stay in place in case changes were made at the State level. There was some discussion about how many such situations existed in the PUD. DM Anderson replies that it was very low (<10).</p>
10. ADJOURNMENT	President Cuellar adjourned the meeting at 12:35 PM.

Roxie Cuellar, Board President
 Roxie Cuellar, Director Subdivision 1

Date 11/25/24

Franklin Sherkow, Board Secretary
 Franklin Sherkow, Director Subdivision 4

Date 1/25/24