



**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
20 July 2022 – 10:00 AM**

The regular meeting will be held at 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 June Minutes and Budget Minutes – Action Item
- 2. PUBLIC INPUT – Public Input (limited to 5 minutes per speaker)**
- 3. CIVIL WEST PRESENTATION**
- 4. RATE HEARING**
- 5. RESOLUTION**
 - a. COLA
- 6. TREASURER'S REPORT**
 - a. Review and Approval of Disbursements – Action Item
 - b. Monthly Financial Report – Action Item
 - c. Treasurer Report/Update
 - d. Accounting Update
- 7. DISTRICT MANAGER'S REPORT**
 - a. Staffing Update
 - b. Valve Failure Update
- 8. OTHER NEW BUSINESS for BOARD CONSIDERATION**
 - a. DOE Grant Application
 - b. Waldport Franchise
 - c. Redistricting
 - d. Leak Forgiveness
- 9. CORRESPONDENCE AND REPORTS**
- 10. OTHER ITEMS OF INTEREST**
- 11. ADJOURNMENT**

July 7, 2022

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

www.swlcwpud.org

541-547-3315

BOARD OF DIRECTORS MEETING
20 July 2022 – 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 Turner, Director Tucker, and Director Sherkow |
| b. Conflict of Interest Declarations | None |
| c. Agenda Changes and Agenda Approval – Action Item | Add Item #8e: Rules and Regulations, and Fees. Switch Items #4 and #5. |
| d. Note Guests Present | Keven Shreeve (Civil West) |
| e. Review and Approval of June Minutes and Budget Minutes – Action Item | Director Turner moved approval of the June Board meeting minutes. Director Sherkow seconded the motion. Motion passed unanimously. |
| 2. PUBLIC INPUT – Public Input (limited to 5 minutes per speaker) | None |
| 3. CIVIL WEST PRESENTATION | <p>Keven Shreeve stated that the PERs (preliminary design packages) had been completed and transmitted to DM Anderson for review. These packages represented a 30% design level for 11 projects. The projects were from the previously discussed FEMA list and others from the Master Plan.</p> <p>Director Sherkow asked about timing and the possibility of State/Federal funding in the near future. Previous communications with Civil West indicated that if money was spent within 12 months prior to a funding agreement being executed, then (if these were eligible expenses) the applicant could recover these costs as part of the funding agreement. His point was for the Board and DM to consider the possibility of spending additional money during the new Fiscal Year on design work in order to minimize the time between a funding agreement being executed and construction work beginning. This might have budget consequences.</p> <p>Mr. Shreeve mentioned that the State was using the same guidelines and procedures as previously existed, but were changing some aspects in the next few months due to the enactment of the new Federal Infrastructure Law.</p> <p>President Cuellar stated that she and the DM considered the valve bolt replacement situation to be an emergency. She noted that she had had discussions with staff from BizOR recently about moving quickly on these items. DM Anderson also had had discussions with BizOR staff and was trying to get them to recognize the need to move as fast as possible to secure some funding.</p> <p>DM Anderson mentioned a few items related to the valve replacement incidents: 1) there was low water levels and low pressure in some areas; Pressure Reducing Valves (PRVs) in the Seabrook and Wakonda Beach vicinity were probably affected. The cost of the repairs was approximately \$26,000. He stated his concern about additional locations that had bolts that were not true stainless steel (#316 stainless).</p> |

| | |
|--|---|
| | <p>Director Sherkow urged DM Anderson to collect labor-time records from staff and other cost documents for possible cost recovery if a grant or loan were to be forthcoming within the next 12 months.</p> <p>Director Tucker asked if BizOR could move projects more quickly if they were a designated or declared emergency. DM Anderson and Mr Shreeve believed that BizOR could, in fact, move quicker.</p> <p>DM Anderson stated that he intended to use an outside contractor to continue the bolt replacement effort due to a variety of factors related to size of equipment, depth of trenching, and others. This work would cover about 50 valve clusters and PRVs. It might cost approximately \$500,000.</p> <p>DM Anderson asked Civil West for a scope and fee proposal to cover a two-phase bolt replacement effort. Mr. Shreeve said that he would provide one as soon as possible.</p> |
| <p>4. RESOLUTION – No. 23-01: Cost of Living Adjustment</p> | <p>Effective July 1, 2022, all employees will have a pay increase of 8.8%, based on the BLS CPI-U West Index June CPI figures.</p> <p>Director Tucker introduces the subject, and added that there should be a salary structure in the future. DM Anderson said that he was working on such. Directors Tucker and Turner volunteered to work with DM Anderson on finalizing a salary structure. Director Tucker moved that Resolution No. 23-01 be adopted. Director Sherkow seconded the motion. Motion passed unanimously.</p> |
| <p>5. WATER RATE HEARING for FY 22-23</p> | <p>Director Tucker suggested that the Board should have a rate proposal before the hearing was to take place. After referring to ORS provisions and previous consultations with the PUD’s attorney, it was determined that the hearing could proceed. Director Tucker suggested that some customers that were treated as “out of district” were, in fact, “in district” accounts because they could vote on Board members representing their PUD subdivision. After some discussion it was suggested that there could be rates for “out of district” and “institutional” customers. Motels and other large users such as the school district could be treated as “institutional” accounts.</p> <p>Director Sherkow recommended that advice from the County Clerk be sought regarding official PUD boundaries, with special attention toward any customers within the larger PUD boundary that might have “opted out” at the time of the Water District’s formation. Director Tucker agreed to do so and report back.</p> <p>DM Anderson displayed an interactive spreadsheet and presented a range of rate options, revealing how much revenue could result from each. Many options were suggested and discussed by Board members, as well. The discussion appeared to center around three items: 1) How much money could reasonably be raised to get a close as possible to the adopted budgeted figure of \$1.05 M; 2) How to avoid low-income customers with limited means to cope with their utility bills; and 3) Reconciling the selected rate with the Budget Message which stated a 10% rate increase.</p> <p>Director Sherkow recommended that a program similar to that used by other utilities should be considered, which would be a “Life Line” type. After some discussion, he suggested that if a customer was eligible for assistance through CSC, then the PUD would honor that designation, and that a special water rate category be established</p> |

| | <p>for such low-income customers. <i>[Community Services Consortium is the community action agency for Linn, Benton, and Lincoln counties.]</i></p> <p>After a lengthy discussion and input from all Board members, as well as the DM, the following motion was made by Director Turner to increase water rates for both “in district” and “out of district” customers for FY 22-23 over last year’s rates, and that a Life Line category be established:</p> <table border="1" data-bbox="610 470 1114 722"> <thead> <tr> <th>Category</th> <th>% Increase</th> </tr> </thead> <tbody> <tr> <td>¾” Base Increase</td> <td>15%</td> </tr> <tr> <td>¾” Usage Increase</td> <td>15%</td> </tr> <tr> <td>All Others Base Increase</td> <td>30%</td> </tr> <tr> <td>All Others Usage Increase</td> <td>30%</td> </tr> <tr> <td>Life Line Base Increase</td> <td>5%</td> </tr> <tr> <td>Life Line Usage Increase</td> <td>8%</td> </tr> </tbody> </table> <p>The motion was seconded by Vice President Anthony. Motion was approved 4 – 1. (Voting “Yes” - President Cuellar, Vice President Anthony, Director Turner, Director Tucker; Voting “No” - Director Sherkow).</p> | Category | % Increase | ¾” Base Increase | 15% | ¾” Usage Increase | 15% | All Others Base Increase | 30% | All Others Usage Increase | 30% | Life Line Base Increase | 5% | Life Line Usage Increase | 8% |
|--|---|----------|------------|------------------|-----|-------------------|-----|--------------------------|-----|---------------------------|-----|-------------------------|----|--------------------------|----|
| Category | % Increase | | | | | | | | | | | | | | |
| ¾” Base Increase | 15% | | | | | | | | | | | | | | |
| ¾” Usage Increase | 15% | | | | | | | | | | | | | | |
| All Others Base Increase | 30% | | | | | | | | | | | | | | |
| All Others Usage Increase | 30% | | | | | | | | | | | | | | |
| Life Line Base Increase | 5% | | | | | | | | | | | | | | |
| Life Line Usage Increase | 8% | | | | | | | | | | | | | | |
| <p>6. TREASURER’S REPORT</p> | | | | | | | | | | | | | | | |
| <p>a. Review and Approval of Disbursements – Action Item</p> | <p>Director Turner moved the approval of the Disbursements List for June, and Director Sherkow seconded the motion. Motion passed unanimously.</p> | | | | | | | | | | | | | | |
| <p>b. Monthly Financial Report – Action Item</p> | <p>Director Sherkow noted the relatively low water sale income for June.</p> <p>Director Sherkow made a motion to only approved the pages related to the General Revenue and Expenses and all pages thereafter. Vice President Anthony seconded the motion. Motion passed unanimously.</p> | | | | | | | | | | | | | | |
| <p>c. Treasurer Report/Update</p> | <p>Director Turner stated that the State Pool (Local Government Investment Pool or LGIP) was now paying about 1% which was better than that paid by the bank checking account. He also said that the PUD was required to make a report to the state about debt levels.</p> | | | | | | | | | | | | | | |
| <p>d. Accounting Update</p> | <p>DM Anderson noted that both Accounting functions and Payroll Services were now being brought in-house, and would no longer be done by outside firms. Staff will use Quickbooks for these functions. Director Sherkow asked that an outside accounting firm review the Assets and Liability list for correctness.</p> <p>Director Sherkow distributed a handout showing the latest Inflation and PPI national data and noted the likely impact on the PUD budget for months to come related to various costs.</p> | | | | | | | | | | | | | | |
| <p>7. DISTRICT MANAGER’S REPORT</p> | | | | | | | | | | | | | | | |
| <p>a. Staffing Update</p> | <p>DM Anderson reminded the Board that Mike Dixon was retiring this month after 20 years of dedicated service to the PUD. Director Sherkow moved and President Cuellar seconded a motion to thank Mike for his service and directed the DM to produce a suitable certificate for presentation to Mike upon his retirement. Two new staff were also introduced to the Board.</p> | | | | | | | | | | | | | | |
| <p>b. Valve Failure Update</p> | <p>DM Anderson recounted the situation with the bolt failures at some valves. He emphasized the need for #316 stainless steel bolts. He said that he identified those bolts that were part of the 1996-97 replacement work. He also restated that he intended to use an outside contractor to continue the bolt replacement effort due to a</p> | | | | | | | | | | | | | | |

| | variety of factors related to size of equipment, depth of trenching, and others. This work would cover about 50 valve clusters and PRVs and connective lines. | | | | | | | | | | | | | | |
|---|--|---------------|-----|---------------------|-------|-------------|------|--------------|-------|------------------------------|---------|---|-------------|---------------|------|
| 8. OTHER NEW BUSINESS for BOARD CONSIDERATION | | | | | | | | | | | | | | | |
| a. DOE Grant Application | Director Sherkow noted that the PUD submitted a grant application for a renewable energy planning project for \$88,000 (100% State funded). The Award Notification was scheduled for Sept. 23, 2022. A local project team had been assembled, and the project would examine solar and micro-hydroelectric power options. The planning project would have to be completed, if awarded, within six months. | | | | | | | | | | | | | | |
| b. Waldport Franchise | <p>President Cuellar said that she talked with Waldport City Manager Cutter and noted that the PUD was already providing a list of customers in the City that have water served by the PUD. There are 85 PUD customers will be subject to the City new 5% tax (excluding USFS).</p> <p>Director Sherkow asked some questions about the application of the new tax. He also urged President Cuellar to secure a formal authorization from the City stating City Council action and dates.</p> | | | | | | | | | | | | | | |
| c. Redistricting | Directors Tucker and Turner volunteered to work with DM Anderson on the redistricting process using GIS and voter rolls. | | | | | | | | | | | | | | |
| d. Leak Forgiveness | The leak forgiveness case involving Mike Harris was reviewed. The bill was usually about \$50-55. Due to the leak, the bill for June was \$822. He had already sent a check for \$250 and asked that the remainder be waived. After a brief discussion, Director Tucker moved and Vice President Anthony seconded a motion to deduct the \$822 minus the usual billing amount, and then take 50% as the amount due. The \$250 already paid would reduce the remaining amount owed by Mr. Harris. Motion passed unanimously. | | | | | | | | | | | | | | |
| e. Rules and Regulations, and Fees | <p>DM Anderson briefed the Board on several items in the rules and regulations document. The mostly centered around SDC payments for reconnection circumstances. After some discussion, The Board directed the DM to consult with the attorney about the issue, and report back.</p> <p>DM Anderson briefed the Board about the Fee Structure for the PUD. He noted that, in some cases, the effort by staff to accomplish the work involved was greater than the fee applied.</p> <p>After some discussion, Director Sherkow moved that the following fees be adopted:</p> <table border="1" data-bbox="609 1390 1242 1648"> <thead> <tr> <th>FY 22-23 Fees</th> <th>Fee</th> </tr> </thead> <tbody> <tr> <td>Change of Ownership</td> <td>\$100</td> </tr> <tr> <td>Door Hanger</td> <td>\$15</td> </tr> <tr> <td>Reconnection</td> <td>\$850</td> </tr> <tr> <td>New Installation – PUD Staff</td> <td>\$3,000</td> </tr> <tr> <td>New Installation – Outside Contractor with PUD Inspection</td> <td>Hourly rate</td> </tr> <tr> <td>Water Turn On</td> <td>\$40</td> </tr> </tbody> </table> <p>Director Turner seconded the motion. Motion was approved 3 – 2. (Voting “Yes” - , Vice President Anthony, Director Sherkow, Director Turner; Voting “No” - President Cuellar and Director Tucker)</p> | FY 22-23 Fees | Fee | Change of Ownership | \$100 | Door Hanger | \$15 | Reconnection | \$850 | New Installation – PUD Staff | \$3,000 | New Installation – Outside Contractor with PUD Inspection | Hourly rate | Water Turn On | \$40 |
| FY 22-23 Fees | Fee | | | | | | | | | | | | | | |
| Change of Ownership | \$100 | | | | | | | | | | | | | | |
| Door Hanger | \$15 | | | | | | | | | | | | | | |
| Reconnection | \$850 | | | | | | | | | | | | | | |
| New Installation – PUD Staff | \$3,000 | | | | | | | | | | | | | | |
| New Installation – Outside Contractor with PUD Inspection | Hourly rate | | | | | | | | | | | | | | |
| Water Turn On | \$40 | | | | | | | | | | | | | | |
| 9. CORRESPONDENCE AND REPORTS | None | | | | | | | | | | | | | | |

BOARD OF DIRECTORS MEETING
20 JULY 2022 – 10:00 AM

| | |
|-----------------------------|--|
| 10. OTHER ITEMS OF INTEREST | None |
| 11. ADJOURNMENT | President Cuellar adjourned the meeting at 1:06 PM |

Roxy Cuellar, Board President
Roxy Cuellar, Director Subdivision 1

Date 8/24/22

Franklin Sherkow, Board Secretary
Franklin Sherkow, Director Subdivision 4

Date 8/24/22