



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

7740 HIGHWAY 101 NORTH, YACHATS, OR // PO Box 368 Waldport, OR  
[www.swlcwpud.org](http://www.swlcwpud.org)  
541-547-3315



**BOARD OF DIRECTORS MEETING AGENDA  
08 March 2023 – 10:15 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 February 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. Staff Certification
  - d. Wakonda Beach Line Break
- 5. OTHER NEW BUSINESS for BOARD CONSIDERATION**
  - a. Upcoming Fiscal Year: Rate Increases, etc.
  - b. Leak Forgiveness
- 6. Other Old Business for Board Consideration**
  - a. Redistricting
  - b. Vacation Rentals
- 7. CORRESPONDENCE AND REPORTS**
- 8. OTHER ITEMS OF INTEREST**
- 9. EXECUTIVE SESSION:** Pursuant to ORS 192.660(2)(a) & (i).
  - a. To consider the employment of a public officer, employee, staff member or individual agent.
  - i. To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee, or staff member who does not request an open hearing.
- 10. ADJOURNMENT**

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

[www.swlcwpud.org](http://www.swlcwpud.org)

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**BOARD OF DIRECTORS MEETING**

08 Mar 2023 – 10:15 AM

<b>1. REGULAR MEETING CALL TO ORDER</b>	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 an item be added to authorize the submission of a grant application for this year’s Congressional Appropriation program. It was added as new #4. President Cuellar added an item to discuss the City of Yachats desire to purchase water from the PUD. It was added as new #3.
d. Note Guests Present	Andy Bacigalupo (WD Commissioner), Waverly Hayner and Bob Langley
e. Review and Approval of February Minutes – Action Item	Motion by Director Tucker, seconded by Vice President Anthony, to approve the minutes for the February PUD Board Meeting. Motion passed unanimously.
<b>2. PUBLIC INPUT – Public Input (limited to 5 minutes per speaker)</b>	None
<b>CITY OF YACHATS POSSIBLE WATER PURCHASE</b>	<p>President Cuellar started the discussion by referring to a media story about the City’s action to negotiate with the PUD for possible water purchases. She acknowledged that not much was known beyond that. She did say, however, that she felt that several Board members, the DM, and legal counsel should represent the PUD at such meetings.</p> <p>Director Sherkow felt that if the purchase was going to be for a long-term, then costs associated with expansion should be part of the PUD’s thinking. He also expressed a desire that the PUD fully understand the build-out needs for the existing PUD area, and that the sale of water to other entities be conditional on meeting the PUD needs first. DM Anderson referred to the Master Plan Supplement as a source for such information about the ultimate water demand for the PUD area.</p> <p>President Cuellar said that we needed to know more about the City position and goals. Vice President Anthony noted that this could ultimately involve the City of Waldport at some point. Director Tucker noted that there was presently a duplication of facilities and support staff for these systems, and that a consolidation of service delivery could be examined without an administrative or political combination. He asked if the City really wanted to be in the water delivery business.</p> <p>President Cuellar said that it was unclear what future relationship with Waldport would be, but reflected that some alternatives of combining services might trigger an approval by public vote. She directed DM Anderson to set up a preliminary meeting between representatives from Yachats and the PUD.</p> <p>Waverly Hayner asked the Board where the additional water (desired by one or both cities) would come from and how much water was involved. Bob Langley mentioned the possible effect on fish downstream from the intake locations if more water is taken for treatment. He also noted the drought conditions currently experienced.</p>

	<p>DM Anderson noted that the Water Conservation Plan lays out curtailment conditions and triggers, and that the PUD could set those limits as it wants.</p> <p>Waverly Hayner noted that the water sheds for some other utilities had been “clear cut” (logging), and that this was affecting the water quality and quantity in those areas. Bob Langley noted that some areas near Vingie Creek had been “clear cut” and that there was a need to monitor the stream flows in the area. President Cuellar said that the MidCoast Watersheds Council (MCWC) might have some data concerning that. <i>[MidCoast Watersheds Council is a private non-profit organization that operates for the purpose of improving conditions for fish and wildlife populations and thereby furthering the general welfare and common good of the people living in or having an interest in the coastal watersheds of the Salmon, Siletz, Yaquina, Alsea, Yachats Rivers, and Ocean Tributaries from Cascade Head in the north to Cape Creek near Heceta Head in the south.]</i></p> <p>Bob Langley also mentioned the Oregon Water Science Center (USGS) as a possible source of data. The Oregon Water Department could have some stream flow information. DM Anderson noted that this source was limited, and that he had discussed the matter with the County Water Master. He noted that stream gauges could be part of the prospective improvements that could be considered as part of an agreement with Yachats, and that there could be other financial benefits. Director Sherkow noted that stream flow data would be a limited picture of today’s condition and that longer-time examination of water availability and conditions should also be sought.</p>
<p><b>4. CONGRESSIONAL APPROPRIATION GRANT APPLICATION</b></p>	<p>Director Sherkow recalled the application process from last year and noted that we could repeat the process. After a brief discussion, the Board decided to pursue the Dick’s Fork Tank replacement as the designated project. Director Sherkow moved and Director Turner seconded a motion to authorize the submission of the application and direct the DM to complete the process prior to the March 31<sup>st</sup> deadline. Motion passed unanimously.</p>
<p><b>5. TREASURER’S REPORT</b>  a. Review and Approval of Disbursements – Action Item</p>	<p>Director Sherkow moved and Vice President Anthony seconded a motion to approve the disbursements for February 2023. Motion passed unanimously.</p>
<p>b. Monthly Financial Report – Action Item</p>	<p>Director Sherkow noted several problems with the Financial Report involving some minor math issues. He asked DM Anderson to look into them for next month’s report. He also expressed some benefit in having financial information about individual employees listed in the financial report. He moved and Vice President Anthony seconded a motion to approve the Financial Report for February 2023 with several issues noted for correction. Motion passed unanimously.</p>
<p>c. Treasurer Report/Update</p>	<p>Director Turner briefed the Board about cash flow status. DM Anderson referred to a handout concerning cash flow projections for the remainder of the fiscal year. Both expressed their goal of having at least \$300,000 in cash reserves available, and this should be discussed as part of the budget process. They also noted the expenditures for the Treatment Plant and for engineering costs.</p> <p>Director Turner and the DM noted the additional payment reserved for the USDA loan, as required, and that the timing of the fund payment set-aside could be altered in order to give the Board more flexibility.</p> <p>Director Sherkow distributed a schematic representing his thoughts on how the financials elements of the PUD interact to form the budget inputs. He also distributed output from a Budget Builder scenario that was updated to reflect the financial terms of the Bolt Replacement project and the Waterline Improvement</p>

	project. It also attempted to maintain a cash balance of \$300,000 each year for 5 years. He encouraged the DM to look into the data as he started in on his budget draft.
<b>6. DISTRICT MANAGER'S REPORT</b>	
a. Valve Project	DM Anderson noted that the bid package was now available to contractors. He also said that another set of bolts failed at a valve location. This repair will also be eligible for State financing. Director Sherkow requested that an inspector and/or project manager be assigned to the Bolt replacement project. DM Anderson responded that the staff could undertake this work. After some discussion, it was decided that staff would fill this role, but would use Civil West Engineering as training and support sources as needed.
b. Waterline Improvement Project funding update	DM Anderson noted that the State was in the process of underwriting the finances for the project as their staff have proposed. <i>[\$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.]</i>  The DM reminded the Board that a representative must appear at the April 5 <sup>th</sup> meeting of the Infrastructure Finance Authority (IFA) in Salem considering this project. It was encouraged that discussions with Rep. Gombert's office be undertaken in order to coordinate a public relations opportunity, and that a media release be drafted.  Director Sherkow requested a map showing all of the funded distribution lines and the affected valve/bolt locations.
c. Staff Certification	DM Anderson said that Mike W. now had his Backflow Specialist certificate and that he would be sitting for the Distribution Certificate test in the next month.
Wakonda Beach Line Break	DM Anderson briefed the Board on a serious mainline waterline break affecting about 20 feet of pipe. Water service was out at some houses for 2 days. Director Turner mentioned that this pipe may have been installed in the 1970s or 1990s. DM Anderson noted that the pipe was of a thin PVC material, and not up to today's standard. Repairs were made, but this could affect where some of the State dollars are to be allocated, and that future mainline replacement may be considered.
<b>7. OTHER NEW BUSINESS for BOARD CONSIDERATION</b>	
a. Upcoming Fiscal Year: Rate Increases, etc.	The Budget Builder material was briefly discussed, and the need to maintain a suitable cash reserve (\$300,000 previously discussed).
b. Leak Forgiveness	DM Anderson introduced the subject of a leak at 4618 Pacific Coast Highway (US-101) under the ownership of Albert Bray. After some discussion about the general subject of leak forgiveness, Director Turner moved and Vice President Anthony seconded, a motion to approve a billing reduction based on half of the amount remaining after deducting an average monthly billed amount (determined by staff). Motion passed unanimously.
<b>8. OTHER OLD BUSINESS FOR BOARD CONSIDERATION</b>	
a. 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 continues. DM Anderson was asked to report on the completion schedule at the next meeting.
h. Vacation Rentals	DM Anderson reported that some response letters were received from people using their property as their primary residents. DM Anderson will report next month on the final disposition of the letters sent out and those properties not being used as short-term rentals.

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<p><b>7. CORRESPONDENCE AND REPORTS</b></p>	<p>Director Sherkow reported that ODOE was in the midst of checking the renewable energy grant application for completeness.</p> <p>President Cuellar and DM Anderson reported that the change over in the bank was fairly uneventful.</p>
<p><b>8. OTHER ITEMS OF INTEREST</b></p>	<p>None</p>
<p><b>9. EXECUTIVE SESSION:</b> Pursuant to ORS 192.660(2)(a) &amp; (i). a. To consider the employment of a public officer, employee, staff member or individual agent.</p>	<p>Postponed until March 9, 2023 at 10 AM.</p>
<p>i. To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee, or staff member who does not request an open hearing.</p>	<p>Postponed until March 9, 2023 at 10 AM.</p>
<p><b>10. ADJOURNMENT</b></p>	<p>President Cuellar adjourned the meeting at 12:06 PM.</p>

Roxie Cuellar, Board President  
Roxie Cuellar, Director Subdivision 1

Date 5/31/23

Franklin Sherkow, Board Secretary  
Franklin Sherkow, Director Subdivision 4

Date 5/31/23