SOUTHWEST LINCOLN COUNTY WATER PEOPLE'S UTILITY DISTRICT
(SWLCWPUD)
7740 HIGHWAY 101 NORTH, YACHATS, OR
PO Box 368 Waldport, OR 97394
www.swlcwpud.org
541-547-3315

BOARD OF DIRECTORS MEETING AGENDA
14 JULY 2026 – 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 June Meeting Minutes – Action Item

2. **DISCUSSION WITH VERDANTAS (CIVIL WEST ENGINEERING SERVICES)**
   a. Waterline Project Update
      i. Business Oregon Amendment Request
      ii. Intent to Award: Construction Contractor
   b. USDA Loan
      i. Engineering Scope and Contract
   c. Infrastructure Project Priority List

3. **DISCUSSION WITH LEGAL COUNSEL**
   a. Waterline Project Review and Easement Update

4. **PUBLIC INPUT – Public Input (limited to 5 minutes per speaker)**

5. **TREASURER'S REPORT**
   a. Review and Approval of Disbursements – Action Item
   b. Monthly Financial Report – Action Item
   c. Monthly Reconciliation Report – Action Item
   d. Treasurer Report/Update

6. **MANAGERS REPORT**
   a. Budget Resolution
   b. OSHA Inspection Report
   c. DM Contract
   d. Rules & Regulations Update
   e. List of Issues

7. **OTHER NEW BUSINESS FOR BOARD CONSIDERATION**
   a. Rules and Regulations Draft

8. **OTHER OLD BUSINESS FOR BOARD CONSIDERATION**

9. **CORRESPONDENCE AND REPORTS**

10. **OTHER ITEMS OF INTEREST**

11. **ADJOURNMENT**

All regular and special meetings are open to the public. Contact the office to attend remotely or for assistance.

July 7, 2026

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
14 July 2026 – 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 Tucker, and Director Sherkow. Ms. Angela Vogl, PUD Manager was also present. Director Sommer had an excused absence.
b. Conflict of Interest Declarations	None
c. Agenda Changes and Agenda Approval – Action Item	Director Sherkow moved that the agenda be approved as distributed. It was seconded by Vice President Tucker. Motion passed unanimously.
d. Note Guests Present	Sherwin Gormly (departed at 10:50 AM) and Keven Shreeve, Verdantas (joined by phone and departed at 10:50 AM); and Peter Gintner and Cory Blake, PUD Attorneys (departed at 11:20 AM)
e. Review and Approval of June Meeting Minutes – Action Item	DM Vogl noted changes in the minutes requested by Vice President Tucker. Director Sherkow moved that the modified minutes be approved. Vice President Tucker seconded the motion. Motion passed unanimously.
2. DISCUSSION WITH VERDANTAS (CIVIL WEST ENGINEERING SERVICES)	
a. Waterline Project Update	
i. Business Oregon Amendment Request	President Cuellar noted that responsive bids were received by PUD for the Waterline Project, but that the lowest bid was greater than the funds available. DM Vogl presented two options: 1) request an additional $1.5 M at 1% interest over 30 years, or 2) remove and postpone Schedule 3 (SW Tara Lane to SW Forestry Lane – approx. 1,400 feet of AC pipe). This segment presents some challenges and its removal from the project would allow the remainder to be covered by available funds. Added funding from BizOR would result in an estimated additional annual payment of $58,122 by PUD, resulting in an estimated total annual payment of $166,400 for this project. Mr. Gormly indicated that the lowest responsive bidder had said that they would agree to remove the Schedule 3 segment if the Board desired. President Cuellar said that she recommended removing the Schedule 3 segment and finding a way to bring it back at a later date, thereby working within the money available now. Director Sherkow suggested that the Board seek the additional funding now for the following reasons: 1) securing a 1% loan now should not be passed up in that it may not be available at a later date, 2) bringing back a postponed project will bring added costs in mobilization, design (standards may have changes), bid setup, etc., 3) and most importantly, the annual non-residential construction inflation rate for the first quarter of 2026 for Oregon was calculated at 6.77% over 12 months, resulting in a projected cost of $1.82 M if the Board waited 3 years to bring back Schedule 3

Approval for Seek Additional Funding from BizOR	for construction ($1.5 M in 2026). Mr. Gormly noted that the added cost of bringing back a project of this size and complexity in the future would be about $200,000 plus the inflationary cost. After some discussion about removing the segment from the current project vs. seeking additional funding from BizOR, Director Sherkow moved that DM Vogl be directed to immediately seek an additional $1.5 M from BizOR at 1% over 30 years (resulting in an added $58,122 in annual loan payback costs). Vice President Tucker seconded the motion. Motion passed unanimously. The Board asked Verdantas to communicate to the lowest responsive bidder that the PUD would working to get additional funding to cover the entire project and that a date be established (without penalty or added costs) as a cut-off for the PUD to secure the added funding.
ii. Intent to Award: Construction Contractor ***Notice of Intent to Award***	Verdantas representatives talked about the bid process and action that the Board could take. There was discussion about having two contracts, treating Schedule 3 as a possible change order, treating it as amendment to the base agreement, and other variations. Mr. Gintner offered his opinion about the issue and noted that it could be treated as an amendment as long as additional funding could be secured within a reasonable amount of time. Since the Board wished to wait to make the final bid award until the DM could communicate further with BizOR about funding, Verdantas recommended that the Board hold off on the "Notice to Award", but that it proceed with the "Notice of Intent to Award" until further discussions with the prospective constructor could be had. After further discussions between the Board, DM Vogl, PUD Attorney, and Verdantas; Director Sherkow moved, seconded by Vice President Tucker, that the PUD Approve the **"Notice of Intent to Award"** the project to the prospective low bidder. Further action would follow at future meetings. Motion passed unanimously.
b. USDA Loan - Engineering Scope and Contract	President Cuellar introduced the topic and expressed her recommendation that the work on the Preliminary Engineering proceed as quickly as possible, noting that she and the DM had met with Verdantas and that Verdantas had provided a draft scope, schedule, and budget for the entire engineering activities. Verdantas representatives added to the discussion about their point of view. Director Sherkow noted that the "Oregon Procurement Manual – Architectural and Engineering Procurement" established limits in the amount of the project that could be awarded on a sole source basis. With some exceptions, which did not seem to apply to this situation, the upper limit of the engineering award could not exceed $100,000. For projects above that amount, a Request-for-Qualifications (RFQ) had to be issued and its process followed. Verdantas' budget was well in excess of that amount. In addition, there were requirements established by the Oregon Health Authority (OHA) that did not seem to be included in the scope. He noted several examples including design/construction standards, plan review by OHA, etc. President Cuellar asked Mr. Gintner (PUD Attorney) if Director Sherkow's interpretation was correct. To conform with State regulations, he recommended that a RFQ be issued. DM Vogl noted that the items needed for the USDA loan application process included: 1) Engineering Contract using the EJDC E-500 agreement, 2) Preliminary Engineering Report, 3) Meeting notice, and 4) USDA application.

	Further discussions were conducted with the Board, DM, Mr. Gintner, and Verdantas. Verdantas noted that they understood that they were the PUD's Engineer of Record and, therefore, could do this work without an RFQ. At the end, it was decided by a Board consensus that an RFQ would be issued before the end of July with a target return date of Sept. 1, 2026. Director Sherkow, DM Vogl, and Mr. Gintner would immediately work up a RFQ for issuance before August 1st.
c. Infrastructure Project Priority List	President Cuellar said that it was her understanding and based on discussions with BizOR, if projects ranked ahead of the PUD were not ready to proceed or had other delaying problems, then the PUD's project might be able to secure funding from the program, dependent on the amount that might be freed up by others. It might take several months to determine the final outcome.
3. DISCUSSION WITH LEGAL COUNSEL	
a. Waterline Project Review and Easement Update	Mr. Gintner and Mr. Blake (PUD Attorneys) briefed the Board on the status of the several easements that were creating challenges. About 5 easements still remained to be resolve. There was discussion about moving the new waterline so it eliminate the need to work with some property owners. Another segment is being moved, which will create new water meter locations. One affected property owner requested the PUD also connect his plumbing because of the significant change (PUD usually pays for the customer feed line up to the meter, but not the plumbing to the house after the meter). Further work on the issue and additional discussions with affected property-owners were to take place.
4. PUBLIC INPUT – Public Input (limited to 5 minutes per speaker)	None
5. TREASURER'S REPORT	
a. Review and Approval of Disbursements – Action Item	Director Sherkow moved to approve the June Disbursements. Vice President Tucker seconded the motion. Motion passed unanimously.
b. Monthly Financial Report – Action Item	Director Sherkow moved to approve the June Financial Report. Vice President Tucker seconded the motion. Motion passed unanimously.
c. Monthly Reconciliation Report – Action Item	Director Sherkow moved to approve the June Reconciliation Report. Vice President Tucker seconded the motion. Motion passed unanimously.
d. Treasurer Report/Update	DM Vogl said that the Tacoma truck had been delivered. The FY 25 Audit should be available for the August meeting. Due to some damage on the DM's car occurring during business activities, Director Sherkow moved, seconded by Vice President Tucker, that the PUD reimburse the DM for about $900 to cover the cost.
6. MANAGERS REPORT	
a. Budget Resolution **Resolution No. 27-01**	Vice President Tucker moved, seconded by Director Sherkow, that Resolution No. 27-01 – Supplemental Budget be adopted. It transfers $41,537 from the General Fund Operating Contingency to the Water management and Conservation Plan ($19,100) and to Building Maintenance ($22,437).
b. OSHA Inspection Report	As a result of the OSHA inspection, a report was issued (June 17, 2026). A citation was then issued having to do with working in confined spaces. The PUD has appealed that citation and taken corrective actions (draft policy). DM Vogl will follow up until there is a resolution.
c. DM Contract	President Cuellar noted that the DM's performance review was pending. Director Sherkow noted the process that was being followed. The first step was to better define the importance of the DM individual duties, and then assess the

	performance. Board members would receive a table via email in a short time which should be completed and returned.
d. Rules & Regulations Update	DM Vogl noted that she was recommending changes to the Rules and Regulations, especially in the areas of sections #7 and #19. Copies of the draft document had been distributed. She was recommending action at a future meeting after Board members had time to review the material.
e. List of Issues	Among of other items, the following were discussed: CCR — Posted on 6/30 and certified with OHA 07/06/2026 - Complete New USDA Loan — • Need PER & Engineering Contract to submit application • One loan for full project is advisable, would have to engage bond counsel twice if separated the projects Interim financing-Pipeline Construction — Banner Bank comfortable with additional loan request w/ BizOr if option chosen. Could also be used for the USDA project, as needed Water System Master Plan — 6/4: Responded to info requests from Verdantas RCAC Rate Study — Initiated, waiting on RCAC scheduling GSI — Kickoff meeting 6/26 > rc'vd info request for water loss Vingie Crk Permit> draft cert avail fall 2026 Wakonda PRV dewatering — Pending electrician and inspection. DM is to notify Verdantas about change in existing condition around the vault. Diesel tank at Blodgett — Tank filled on May 20, 2026 - Complete BWTP Roof Replacement — New roof installed 6/25/2026 - Complete Certifications — Tyler: D2 TBD; Gabe: x-connection specialist, eligible for D2/T2; Michael/Keasey: eligible fall 2026 Blodgett Weather Station — Software compatibility issue – Ready to install Vice President Tucker also wished to add the update of the Emergency Manual, issues related to Yachats (PRV connection, McClung), radio tower to cover "dead spots", and issue having to do with the Fire District (hydrants).
7. OTHER NEW BUSINESS FOR BOARD CONSIDERATION	
a. Rules and Regulations Draft	See #6d.
8. OTHER OLD BUSINESS FOR BOARD CONSIDERATION	
9. CORRESPONDENCE AND REPORTS	
10. OTHER ITEMS OF INTEREST	Director Sherkow introduced the issue of faucet locks which individual customers could purchase and install in order to keep someone from turning on their water supply without their knowledge.
11. ADJOURNMENT	President Cuellar adjourned the meeting at 12:35 PM

Roxie Cuellar, Board President
Roxie Cuellar, Director Subdivision 1

Date 9/8/26

Franklin Sherkow, Board Secretary
Franklin Sherkow, Director Subdivision 4

Date 9/8/26