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
23 JUNE 2026 – 10:10 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 May Meeting Minutes – Action Item

2. **DISCUSSION WITH VERDANTAS (CIVIL WEST ENGINEERING SERVICES)**
    a. Waterline Project Update
    b. BRIC FY 25 Grant: Dick's Fork Tank

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. Resolution 26-05 COLA FOR FY 27
    b. Interim Financing and Bond Counsel
    c. List of Issues

7. **OTHER NEW BUSINESS FOR BOARD CONSIDERATION**

8. **OTHER OLD BUSINESS FOR BOARD CONSIDERATION**
    a. Water Rates

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.

June 16, 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
23 June 2026 – 10:10 AM

1.REGULAR MEETING CALL TO ORDER	President Cuellar called the meeting to order at 10:10 AM.
a. Determine Quorum Present	President Cuellar deemed that a quorum was present: President Cuellar, Vice President Tucker, Director Sommer, and Director Sherkow. Ms. Angela Vogl, PUD Manager, and Gabe Greenwood, Field Staff Member were also present
b. Conflict of Interest Declarations	None
c. Agenda Changes and Agenda Approval – Action Item	
d. Note Guests Present	Jeff Criner, Budget Committee member; Sherwin Gormly, Verdantas (departed at 10:40 AM); Peter Gintner and Cory Blake, PUD Attorneys (departed at 11:10 AM)
e. Review and Approval of May Meeting Minutes – Action Item	President Cuellar requested that a new Item #2c be added concerning the OHA Ranking List for new projects (related to BizOR Letter of Interest), and a new Item #6d be added entitled Operations Update. Director Sherkow requested the addition of a new Item #8b concerning FY 27 fees. Director Sherkow moved that the modified agenda be approved. Vice President Tucker seconded the motion. Motion passed unanimously.
2.DISCUSSION WITH VERDANTAS (CIVIL WEST ENGINEERING SERVICES)	
a. Waterline Project Update	DM Vogl noted that 3 bids were received and opened on June 22 at 2 PM. They ranged from \$5.9 M to \$6.5 M for the Waterline Project. It was explained that the bid process was structured such that individual segments could be deferred if the work exceeded the funding available. President Cuellar recommended that if the FEMA (BRIC) grant was approved for the Dick's Fork tank replacement, then the money in the BizOR funding package could be used to fill any gap in the Waterline Project work. Timing issues and agreement discussions with BizOR would have to take place. It was suggested contact be made with BizOR to see if additional funding could be found of the type in the current funding agreement, given its favorable terms. Director Sherkow suggested that if funding from BizOR was not available for the work above the current grant/loan, then another funding source be sought. This might be less expensive than postponing the affected segment and trying to resurrect it several years in the future given the construction inflation impact in the intervening time. He also noted that if one segment was deferred from this project, it should reduce the CM work load, leaving a small amount of extra money for construction. Finally, he noted that some contingency dollars be left in the project budget to address possible change orders. Mr. Gormly said that Verdantas would provide the most complete project services regardless of how many segments were constructed. President Cuellar suggested that Director Sherkow and DM Vogl work with Verdantas to determine a path forward, especially if addition funding from BizOR could not be found. A special Board meeting might be necessary in order to award the construction contract.

b. BRIC FY 25 Grant: Dick's Fork Tank	DM Vogl had been working with Verdantas on initial engineering work related to this grant application (due July 1, 2026). There was a short discussion related to the size of the replacement tank noted as 500,000 gal. and its possible footprint at the site. It was recommended that staff and Verdantas look at the findings of the draft Master Plan Update to determine if the tank capacity was correct. The BRIC grant award date was in the future at a date to be determined.
c. OHA Project Ranking List (related to BizOR Letter of Interest project)	DM Vogl displayed the OHA statewide list of water projects seeking funding. President Cuellar noted that the PUD's submission was ranked #18. Demand for funding statewide was high. The best-case scenario was thought to be full funding with about $1.5 M of the total as a forgivable loan. After a discussion about the overall demand for the funding and availability of money, it was decided that the PUD would wait to see what BizOR would offer when the process moved to that stage.
3.DISCUSSION WITH LEGAL COUNSEL	
a. Waterline Project Review and Easement Update	Mr. Gintner and Mr. Blake noted their current workloads and support assistance that would be needed to get closure for the final 5 easements. This might be provided by staff or others (on a contract basis). Letters and/or emails had been sent to the parties involved. Some responded, while others had not. The process might require having someone actually knock on the doors of the owners. DM Vogl and the attorneys would continue to work on the process noting that construction work or routing might be affected.
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 May Disbursements. Director Sommer seconded the motion. Motion passed unanimously.
b. Monthly Financial Report – Action Item	Director Sherkow moved to approve the May Financial Report. Director Sommer seconded the motion. Director Sherkow asked that a page could be added for the Waterline Project. Motion passed unanimously.
c. Monthly Reconciliation Report – Action Item	Director Sherkow moved to approve the May Reconciliation Report. Director Sommer seconded the motion. Motion passed unanimously.
d. Treasurer Report/Update	DM Vogl said that the FY25 Audit should be available for the July Board Meeting.
6.MANAGERS REPORT	
a. **Resolution 26-05 COLA For FY 27**	The May 2026 CPI West Region was published as 3.5% for the preceding 12-month period. Director Sherkow moved that Resolution 26-05 be adopted with an **increase in pay for employees of 3.5% starting July 1, 2026**. Director Sommer seconded the motion. Motion passed unanimously.
b. Interim Financing and Bond Counsel ***Hawkins Delafield & Wood LLP – Letter of Engagement***	DM Vogl said that USDA wanted the PUD to be involved with a bond counsel for the possible upcoming project. One such firm that was discussed was Hawkins Delafield & Wood LLP. She briefed the Board on the Letter of Engagement of June 4, 2026 (previously distributed). It was also noted that discussions with Banner Bank about interim financing were the most productive thus far. After a discussion, it was suggested that a fee schedule and rough time schedule be secured. Director Sherkow asked if these costs were made part of the funding agreement. It was thought that they were, but DM Vogl would make sure. Director Sherkow moved that the agree with the Bond Counsel Hawkins Delafield & Wood LLP be approved. Vice President Tucker seconded the motion. Motion passed unanimously.

c. List of Issues	CCR	Revised rule requirements took effect 01/2026 Report in progress and on schedule for 7/1 delivery
	New USDA Loan	• Need PER to submit application o Waiting on scope of work from TAG • One loan for full project is advisable, would have to engage bond counsel twice if separated the projects
	Interim financing-Pipeline Construction	Voluminous info requests required for quote Need input from Signe, said available after 5/15
	Water System Master Plan	6/4: Responded to info requests from Verdantas
	Wakonda PRV dewatering	Pending electrical panel and sump pump
	Diesel tank at Blodgett	Tank filled on May 20, 2026
	BWTP Roof Replacement	Work underway and should be completed by July 1, 2026
	Certifications	Tyler: D2 test within 30 days Gabe: x-connection specialist, eligible for D2/T2 Michael/Keasey: eligible fall 2026
	Blodgett Weather Station	Software compatibility issue- pending Vice President Tucker research – working on installation

d. Operation Update	DM Vogl said that an on-call Office Assistant was hired. Gabe noted that as part of the staff's efforts to find the location of the flow loss, the Static Mixer (pipe section in the water treatment plant) was thought to be the main problem. The "mixer" and installation (previously approved by the Board) was installed. It turns out that it was, in fact, the problem. With the new "mixer" installed, the flow went from 190 gal/min to 260 gal/min. Flows are back to normal and the treatment plant can run less often to obtain the same amount of treated water. He also said that new meters were being installed which should increase the efficiency of staff collecting data. The Valve Exerciser was continuing to pay dividends in terms of staff work and equipment. Finally, he noted that a recent boring job under US 101 went well. He also noted that he was in contact with Tim Owens at Correct Equipment about various items including rebuilding electrical panels, cell telemetry at remote locations, etc. He would continue those discussions and ensure that any such equipment would be compatible with TAG.
7.OTHER NEW BUSINESS FOR BOARD CONSIDERATION	President Cuellar said that, after talking with Board members, she asked Director Sommer to work with DM Vogl on loan issues for the various projects.
8.OTHER OLD BUSINESS FOR BOARD CONSIDERATION	
a. Water Rates for FY 27	Vice President Tucker presented a spreadsheet and information related to the PUD base and water use rates and their structure. He noted based on research done with materials from various water utilities and the American Water Works Association, that the PUD water rates should have some relation to pipe size and that there be a supportable rationale on the pipe size base rates charged. Director Tucker also questioned what the rational was for charging commercial/institutional customers more than a residential customer when the pipe sizes used are the same. Base rates and water use rates were discussed for various land uses relating to the customer

	classifications. Some suggested changes would dramatically change the rates for commercial and institutional users. VP Tucker also suggested implementing on – and off-peak water use rates, charging a higher water use rate when water availability is of greater concern and customer water usage peaks. After some further discussion, Director Sherkow presented a spreadsheet which mirrored the current rate structure, but which allowed for sensitivity testing for either the base rates and/or the water use rates for Residential, Commercial, and Institutional customers. Director Sherkow's calculations projected a total revenue of $1,851,936 if base rates were raised by 10% for all customers and usage rates were raised by 5% for residential customers and were raised by 10% for commercial and institutional customers. This increase would meet the FY 2027 budgeted for water sales revenue of $1,446,900. Five scenarios were presented, but it was noted that more could be developed. After additional discussion, Director Sommer recommended that a rate increase consisting of a 10% increase in the base rates be adopted for FY 27 for all customers, and that the user rates be increased for residential customers by 5%, and for commercial and institutional customers by 10%. He further supported that a seasonal adjustment of a 5% water use rate increase be added for the 2027 summer/fall season. This would encompass the months of June through September (subject to further refinement). A further discussion was had about the testing of some of Vice President Tucker's scenarios through the Water Rate Study to be conducted by RCAC. Director Sommer moved that a **10% increase in the base rates be adopted for FY 27 for all customers, and that the water use rates be increased for residential customers by 5%, and for commercial and institutional customers by 10%; and that a seasonal adjustment of a 5% increase be added to the water use rates for all customers for the 2027 summer/fall season** (details to be determined). It was seconded by Director Sherkow. Motion passed unanimously.
b. Fees for FY 27	Director Sherkow recommended that all fees except those for Public Record Requests and for the SDC be increased by 5% (rounded to the nearest dollar). It was seconded by Director Sommer. After a short discussion, it was brought to a vote. Motion passed unanimously.
9.CORRESPONDENCE AND REPORTS	None
10.OTHER ITEMS OF INTEREST	None
11.ADJOURNMENT	President Cuellar adjourned the meeting at 12:39 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