

OTTER ROCK WATER DISTRICT

MEETING SUMMARY

Work Session — March 19, 2024

IN ACCORDANCE WITH OREGON PUBLIC RECORDS LAW, A RECORDING OF THIS MEETING IS POSTED, IN LEIU OF WRITTEN MINUTES, ON THE DISTRICT WEBSITE, AND IS PRESERVED ON DIGITAL MEDIA AS A PERMANENT RECORD

- A. Call to Order via Zoom: A work session Board Meeting of the Otter Rock Water District Board was held on March 19, 2024 via Zoom. The meeting convened at 6:01 PM with Commissioner Hall presiding.
- B. Roll Call: Members in attendance — Commissioners Hall, Elliker, Goldhammer and Lombardi
Public in attendance — Keven Shreeve with Civil West
- C. Special Order of Business

Discussion of recent series of emails between Civil West and Business Oregon, which have also been shared with the ORWD board. Keven from Civil West begins by detailing some advancements in the funding of the project. It appears that FEMA will be coming through with the grant for the new tank, pump station and main trunk pipeline. They have also responded that they will make up the inflation difference since original application. With this in mind it looks like the project is 2.7 million and the discussion proceeded with looking at options for funding the remainder of the original project. Business Oregon will still not give Keven or us a number for the loan so it is up to us to determine how much to ask for. What we do know is that Business Oregon is looking for a commitment from the board to raise rates to cover the cost of the loan repayment and that will require action not just verbal commitment. There are three components of the project that cannot be changed: the springs, the water treatment and installation of meters. Keven and board members looked at a number of issues and raised a number of concerns, among them were:

There may be areas where we can save money by reducing amount of pipeline replaced, Keven estimated possibly by one half. Priority would be given to older pipes, leaking pipes and areas where pressure was at or below the minimum pressure. Beth indicated that past board members mentioned that the most recently installed (1970s) PVC pipes may not need to be replaced. There are some loops that should be closed but will require getting easements, prioritize which to do first. There were concerns about equity, adequate pressure for home usage and enough pressure for hydrants to function. Fire safety was deemed a priority. The new system will increase pressure and there is a concern about current pipeline system to handle that. Keven states even if not all pipelines replaced everyone in community would benefit from the fixing of existing leaking pipes. Keven states he will run a new computer project model to ensure pressure predictions are accurate, that it would be good to have some “hard core numbers”.

Looking at the original project costs Eileen mentioned pulling out some money from the 500,00 dollar figure for meters. Keven was not aware that we have already installed approximately 2/3 of our community meters, he estimates we could pull 300,000 dollars from this figure. Beth also noted that he had 154 EDUs in his documentation but that she calculates 156 residential units and additional commercial units as for example, Alpine Chalet is billed as 11 units though one meter. In her figures we are at 181 EDUs. These two items may be enough to offset amount from project needing to be trimmed. Members explained that we have residential rate, commercial rate, State rate and STR rate. Beth agrees to send Keven an updated list of all users. Beth will also send Keven a copy of the performa that was submitted to Business Oregon two summers ago.

A monthly rate of 110-120 dollars was proposed by Keven as a possible place to start to submit to Business Oregon. Several points were brought up in regards to this figure, board members had concerned this was too high for our community, particularly as many residents are elderly on fixed incomes and could be a hardship. Also we did not think that Business Oregon would accept that figure. Lisa would like to try to go for the whole project and see how Business Oregon responds and whittle the project down from there. Eventually the board members decided to write a letter to Michelle and Tracy

from Business Oregon that we propose to raise our monthly water rates by 10.00 dollars per month for the next three years to arrive at a rate of 95.00 dollars a month for the fiscal year 2026-27. Explaining in the letter that we will need to follow legal requirements with public notification timelines, hearings of the proposed increases and drafting of resolution to be voted on at the appropriate meeting. As President Lisa Hall will draft the letter and all board members will review. Lisa brought up the issue of FEMA requiring that Otter Rock is named on the Lincoln County list to be eligible for the grant and Keven said that this was something they were taking care of, he states it is an important detail but one we do not need to worry about as Civil West is taking care of it. He also stated that the 10% grant money to offset our loan repayment is something else that they will assist us in applying for but did not feel need to do it just yet "Though feel free to remind me".

A last comment was raised by Kellie regarding a community member mentioning a project by Johnson Creek Water District regarding a project to update and replace existing water treatment facility. Beth states the water district should have gotten a notification but the it should not affect ORWD as our water source comes from another part of the area and should not be impacted, Keven concurred.

Meeting was adjourned at 7:25 PM

Submitted by Commissioner Lombardi