



Neskowin Regional Water District

PO Box 823

Neskowin, OR, 97149

Phone: (503)392-3966

Email: nrwd@neskowinwater.com

Web: www.neskowinwater.com

MINUTES

THE NESKOWIN REGIONAL WATER DISTRICT BOARD OF COMMISSIONERS REGULAR MEETING.

MAY 28th, 2026

Commissioners Present: Guy Sievert, Paul Bender, Tom Prehoditch, and Diane Saunders.

Commissioners Absent: John Metschan.

Staff Present: Troy Trute & Joy Neufeld.

Public Present: None.

CALL TO ORDER: (00:09:00)

Secretary Diane Saunders called the regular Board meeting to order at 1:02 p.m. at the District's Frank E. Clanton Municipal Water Plant, 5880 S. Fairway Rd, Neskowin, Oregon, and was hosted remotely via Google Meet.

REVIEW MINUTES: (00:09:46)

The Board reviewed the draft minutes from the April 30th, 2026, Regular Board Meeting.

****Motion**:** Tom Prehoditch moved to accept the minutes with the edit provided. Paul Bender seconded the motion, which passed unanimously.

OPERATORS REPORT: (00:11:48)

Distribution System (00:11:58)

1. Fourteen leaks were discovered during the meter reading that occurred on May 5th.
2. Troy said that he is still waiting on the final bill for the South Beach Road Pipeline Extension Project. The final bill and project closeout documents are expected soon.
3. We have repaired two more leaks on the 2" Poly water main on South Beach Court.

Treatment System (00:12:50)

1. The District's bacteriological testing has had no detectable amounts of coliforms this month.
2. Troy said he still needs to purchase the Turbidity Meter to replace the malfunctioning one. Troy said he has a quote of \$17,000.00 to replace the system.
3. ****Motion**** Tom Prehoditch moved to approve Troy to proceed with the purchase of a new Turbidity Meter up to \$17,000.00 with a mandate to make best efforts to secure a better price. Paul seconded the motion, which passed unanimously.
4. The water filter is functioning correctly and producing excellent, potable water.

FINANCIAL REPORT: (0:20:15)

Troy reviewed the financial reports for the end of April 2026.



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BILLS TO BE PAID: (00:23:47)

1. The Board reviewed internal accounting and financial statements, during which Troy and the Board identified that the check detail report incorrectly listed the year as 2025 instead of 2026.
2. Troy and the Board discussed improving the presentation of financial data by organizing reports into quarterly segments and including year-over-year comparisons to increase clarity for Board review.
3. Troy committed to resending the correct check detail report to the Board, and the Board decided to review the April 20, 2026- May 20, 2026 check detail report at the Board meeting in June.

OLD BUSINESS: (00:40:43)

BOARD WORK PLAN TASKS: (00:40:43)

1. Third Quarter Tasks: (January, February, March 2025): (00:40:44)

1.1. Review System Development Charges, Water Rates, and Wage Scales: (00:40:50)

- 1.1.1. The Board discussed revenue shortfalls, noting that the current year's actual revenue was approximately \$640,974 against a budgeted \$721,642.
- 1.1.2. Tom explained that this deficit resulted from missing the first quarter of billings for a rate increase that was not properly noticed and subsequently delayed until October.
- 1.1.3. Troy read his Revenue Committee meeting summary to the Board.
- 1.1.4. The Board reviewed various proposals for upcoming rate increases, with members offering differing perspectives.
- 1.1.5. Troy advocated for a policy of at least a 3% annual increase to align with inflation and stabilize revenue, emphasizing a shift toward base-rate revenue to prevent large, sporadic increases.
- 1.1.6. Guy strongly emphasized the necessity of building the capital improvement and equipment funds as a regular, annual line item in the budget to prepare for upcoming infrastructure needs, rather than focusing solely on operational expenses.
- 1.1.7. Troy said that the District's primary expenses are driven by the requirement to deliver water and maintain infrastructure—such as reservoirs sized for fire safety rather than consumption volume—rather than the actual volume of water used.
- 1.1.8. Troy said the Board must avoid the late-year scheduling seen in the previous year by adopting a budget by the end of June because a rate increase requires 30 days of public notice; the Board must finalize their strategy to ensure compliance with advertising deadlines.
- 1.1.9. Troy said the Budget Committee, which includes five board members and five public members, must approve the budget before the board formally adopts it in June. Meetings require specific legal advertising timelines, and approved budget



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figures provide the board with the flexibility to adjust specific categories by up to 10%.

1.1.10. Guy suggests allocating an additional \$100,000 to the Capital Improvement Fund, noting that the fund required borrowing in the past. Additionally, Paul proposed allocating approximately \$25,000 to the truck and equipment fund.

1.1.11. Troy said that if the Board wanted to budget \$100,000.00 to the Capital Improvement Fund and \$25,000.00 to the Truck and Equipment Fund, the rates would need to increase more than they did last year.

2. Fourth Quarter Tasks (April, May, June 2026): (01:18:48)

2.1. Board Performance Evaluation: (01:18:49)

2.1.1. The Board decided to complete and discuss this at the June Board Meeting.

2.2. Draft Annual Board Work Plan for the upcoming Year: (01:19:39)

2.2.1. The Board decided to complete and discuss this at the June Board Meeting.

2.3. Budget Development: (01:20:17)

2.3.1. This topic has been accomplished.

2.4. Budget Committee Meeting:

2.4.1. This topic was discussed earlier.

2.5. Public Hearing For the Budget:

2.5.1. This topic is scheduled to be accomplished on June 25th.

2.6. Budget Adoption:

2.6.1. This topic is scheduled to be accomplished on June 25th.

2.7. Board Contribution to the Annual/Consumer Confidence Report:(01:20:32)

2.7.1. Troy suggested a Board Member write something and submit it to him to put in the Annual Consumer Confidence Report. The Board asked Troy to send them a copy of last year's report for review. Troy said he would.

2.7.2. Troy notes that they received authorization from the state attorney general's office to include information regarding potential rate increases within this report if necessary.

3. WATERSHED ACQUISITION DISCUSSION: (01:25:15)

3.1. Possible Executive Session:

3.1.1. Troy said he is managing the valuation and timber cruise for potential watershed property acquisitions, including the Kowalski and Schlichting properties.

3.1.2. Troy emphasizes the urgent need for a signed purchase and sale agreement by the end of June to secure a \$1 million grant; if the Kowalski deal does not proceed, the District plans to pivot the Oregon Watershed Enhancement Board (OWEB) funding to acquire the Schlichting property.

4. HORIZON HILLS & WI-NE-MA WATER SYSTEM ANNEXATIONS: (01:31:02)



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- 4.1. The District is moving forward with the annexation process for Horizon Hills and Wi-Ne-Ma Christian Camp and is seeking funding for legal counsel to assist the Board with the transition.
 - 4.2. Troy is seeking help from the RCAC for the public engagement with the Neskowin ratepayers and the ratepayers of Horizon Hills and Wi-Ne-Ma Christian Camp.
 - 4.3. The Board confirmed they have access to contact information, including phone numbers and mailing addresses, for all ratepayers to facilitate public engagement.
 - 4.4. The Board is coordinating with Regional Solutions to secure funding for the Wi-Ne-Ma project and land acquisition. Additionally, the Board is exploring the use of federal disaster funds to address damage to a water line caused by a storm that destroyed a culvert at Sutton Creek/Lower Proposal Rock Loop.
5. **UPDATE ON THE SOUTH BEACH MAIN EXTENSION PROJECTS:** (01:36:06)
- 5.1. The asphalt work for the South Beach project is complete, and Troy is awaiting the final bill. He will then send the Board the project's overall report.
6. **RATE REVIEW COMMITTEE:** (01:36:39)
- 6.1. This topic was discussed earlier in the meeting.
7. **ODOT PROJECT:** (01:36:36)
- 7.1. **Butte Creek Project Status:** (01:36:39)
 - 7.1.1. Regarding the Butte Creek project, Troy received two bids of \$50,000 and \$52,000 and intends to contract for the work within two weeks to meet a July deadline, noting that the Board previously approved the authorization to contract for this project.

NEW BUSINESS: (01:39:32)

1. **FUTURE MEETING DATES:** (01:39:32)

- 1.1. The next NRWD Budget Hearing is set for Thursday, June 25th, 2026, at 1:00 pm, followed by the regular monthly Board meeting for June. Subsequent NRWD Board meetings are tentatively set for Thursday, July 30th, 2026, at 1:00 p.m., and Thursday, August 27th, 2026.

ADJOURNMENT: (01:41:00)

There being no further business, the meeting was adjourned at 2:41 pm. ****Motion****: Tom Prehoditch moved to adjourn this board meeting. Paul Bender seconded the motion, which passed unanimously.

Respectfully submitted,
Joy Neufeld



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Recording Secretary, Neskowin Regional Water District

John Metschan, President

Diane Saunders, Secretary