



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.

JULY 30th, 2026

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

Commissioners Absent: None.

Staff Present: Troy Trute & Joy Neufeld.

Public Present:

CALL TO ORDER: (00:09:27)

John Metschan called the regular Board meeting to order at 1:00 p.m. at the District's Frank E. Clanton Municipal Water Plant, 5880 S. Fairway Rd, Neskowin, Oregon, and the meeting was held remotely via Google Meet.

REVIEW MINUTES: (00:09:39)

1. The Board reviewed the draft minutes from the June 25th, 2026, Budget Adoption and Regular Meeting. ****Motion****: Tom Prehoditch moved to accept the June 25th, 2026 Budget Adoption and Regular Meeting Minutes. Paul Bender seconded the motion, which passed unanimously.

OPERATOR'S REPORT: (00:10:17)

Distribution System (00:10:22)

1. Fourteen leaks were discovered during the meter reading that occurred on July 2nd.
2. Construction has finished on the District's South Beach Road Pipeline Extension project. The District expects the final bill and project closeout documents soon.
3. The District is in the process of hydrant maintenance.
4. The District is in the process of brushing all easements.

Treatment System (this was not discussed)

1. The District's bacteriological testing has had no detectable amounts of coliforms this month.
2. The water filter is functioning correctly and producing excellent, potable water.

FINANCIAL REPORT: (0:15:07)

1. Troy reviewed the financial reports for the end of June 2026.
2. The Board reviewed internal accounting and financial statements for June 2026.

BILLS TO BE PAID: (00:20:06)

1. The Board reviewed the check detail report for June 20th, 2026, to July 20th, 2026.



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OLD BUSINESS: (00:23:22)

BOARD WORK PLAN TASKS: (00:23:23)

1. First Quarter Tasks (July, August, September 2026): (00:23:28)

1.1. Adopt Annual Work Plan: (00:23:32)

1.1.1. John suggested just rolling over the old Board Work Plan into the new Board Work Plan by changing the dates. Troy said he would replace the dates and send it to the Board.

1.2. Appoint Board Officers: (00:24:23)

1.2.1. ****Motion**:** Paul Bender moved to keep the Board officers the same, appointing John Metschan as the Board President and Treasurer and appointing Diane Saunders as the Board Secretary. Tom Prehoditch seconded the motion, which passed unanimously.

1.3. Review “Red Flag Rule: (00:26:54)

1.3.1. Troy and the Board reviewed the “Red Flag Rule” concerning the District not sharing customers' personal information and not keeping customers' credit card and banking information. The District complies with the “Red Flag Rule.”

2. WATERSHED ACQUISITION DISCUSSION: (00:27:43)

2.1. Possible Executive Session:

2.1.1. Troy met with the Northwest Land Conservancy and the Kowalski family to discuss land acquisition.

2.1.2. Troy said an agreement was reached to purchase two parcels (1202 and 6200), but the Kowalski family opted to retain the largest parcel (6500) due to legacy and family considerations.

2.1.3. Guy proposed that the Board pursue a conservation easement for the Kowalski property rather than a full purchase. This strategy would allow the District to maintain control and management of the watershed while enabling the Kowalski family to retain ownership and protect their family legacy.

2.1.4. Troy discussed the ongoing negotiations with the Schlicting family. The Schlicting family is currently resistant to selling partial lots and prefers to sell the entire property at once. Guy said he would like to get together with Troy to discuss this.

3. HORIZON HILLS & WI-NE-MA WATER SYSTEM ANNEXATIONS: (00:39:15)

3.1. Troy Trute is working with Business Oregon to secure a grant for legal fees related to the Horizon View annexation process.

3.2. The Board agreed that specialized legal counsel is required to address the complexities of the annexation, tax issues, and the governmental merger.

3.3. Guy and Troy Trute are actively soliciting recommendations for legal firms to handle



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this matter, aiming to avoid using District ratepayer funds for these expenses.

4. **FISH PASSAGE AT PROPOSAL ROCK LOOP:** (00:46:18) This was not on the agenda.
 - 4.1. The Board discussed the fish passage issues at Proposal Rock Loop, noting that involving multiple public utilities in the proposal could strengthen their position when seeking solutions.
5. **GLAMPING PROJECT APPLICATION:** (00:56:06) This was not on the agenda.
 - 5.1. Guy reported that a glamping project application near the viewpoint has been scheduled and delayed by the planning commission twice.
 - 5.2. Troy noted that they should inform the applicants about the District's potential annexation process and the proximity of the water line to their proposed site.
6. **UPDATE ON THE SOUTH BEACH ROAD PROJECT:** (00:47:45)
 - 6.1. This was discussed in the operator's report.
7. **RATE REVIEW COMMITTEE:** (00:47:57)
 - 7.1. Tom Prehoditch provided a report on the Consumer Price Index (CPI), explaining that while there is no specific rural CPI, the cost for water and sewer maintenance has historically increased at a rate of 5.1% since 1952. This data serves as a consistent benchmark for evaluating increases in District operating costs.
 - 7.2. Guy and the Board agreed that future rate decisions should be finalized in February, aligning with the solidification of the budget, insurance costs, and cost-of-living adjustments, to ensure that annual rate changes can be effectively implemented by July 1st.
 - 7.3. Guy and the Board examined the need for a standard reserve fund for emergencies, debating whether to set a threshold of 3% or 5%.
 - 7.4. Troy Trute proposed a 5.1% rate increase, justifying the specific figure by citing the water and sewage maintenance needs and the Pacific Consumer Price Index (CPI), which Troy Trute argued provided a rationale for the 5.1% base.
 - 7.5. Troy Trute addressed significant cost drivers for the District, noting that PERS (Public Employees Retirement System) rate increases occur on a two-year state budget cycle. In contrast, health and insurance expenses generally increase by 5% to 13% annually. These personnel costs were identified as the primary operational expense for the District.
 - 7.6. The Board reached a consensus to proceed with a 5.1% rate increase and agreed to schedule future rate discussions in the first quarter of the year to prevent recurring scheduling conflicts.
8. **ODOT PROJECT:** (01:13:14)
 - 8.1. **Butte Creek Project Status:** (01:13:15)



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8.1.1. Troy Trute detailed a proposed infrastructure project involving a pipe installation under Highway 101 to connect to Schoolhouse Road, which would create a loop and improve system reliability, similar to the South Beach project.

8.1.2. The estimated cost of \$367,000 would be covered by capital improvement and system development funds rather than the operational rate revenue.

9. OVERTIME/COMPTIME DISCUSSION: (01:20:41)

9.1. The Board discussed the accumulation of comp time by employees for weekend and holiday duties.

9.2. Troy Trute expressed concern that the current accrual rates allowed employees to take extended time off, which hindered operational management. He noted that they were investigating potential supplemental resources in the community to assist with these tasks.

9.3. The Board discussed hiring a part-time person to work weekends.

9.4. To address the accumulation of comp time, the Board agreed to amend the personnel policy to cap comp time at 80 hours.

9.5. Troy Trute was tasked with preparing a resolution for this policy change to be formally adopted at the next meeting.

NEW BUSINESS: (01:37:54)

1. CUSTOMER APPEAL: (01:37:57)

1.1. The Board reviewed a customer appeal for Wayne Ruby. ****Motion****: Tom Prehoditch moved to grant the appeal as requested. Diane Saunders seconded the motion, which passed unanimously.

2. NESKOWIN VALLEY SCHOOL: (01:39:53)

2.1. Troy Trute proposed providing water testing and maintenance support to the Neskowin Valley School to assist with bacteriological testing issues and help keep the school operational.

2.2. Tom asked Troy to give the Board a projection of the costs.

2.3. The Board agreed to allow Troy to draft a contract similar to the agreement with Cascade Head, prioritizing cost-effective support for the nonprofit, and planned to hold a special meeting for approval.

3. FUTURE MEETING DATES: (01:58:00)

3.1. The next NRWD regular Board meeting is set for Thursday, August 27th, 2026, at 1:00 pm, The Public Rate Hearing and Regular Board meeting are set for September 24th, 2026. A subsequent NRWD Board meeting is tentatively set for Thursday, October 22, 2026, at 1:00 p.m.



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ADJOURNMENT: (01:59:00)

1. There being no further business, the meeting was adjourned at 3:00 pm. The Board went into an executive session.

Respectfully submitted,

Joy Neufeld

Recording Secretary, Neskowin Regional Water District

John Metschan, President

Diane Saunders, Secretary