CLOVERDALE WATER DISTRICT
Board Meeting Minutes
February 09, 2026

1. Board Chairman C. Alexander called the meeting to order at 7:03pm

2. Directors present were Crissa Alexander, Jeremy Alexande and, Maile Samek. Christy Nyseth was absent.
   Staff members present were Heidi Reid, Alicia Olson and Jennifer Romero.

3. <u>Minutes for meeting held in January 2026</u>
   The Board was presented with the minutes from the meeting in January 2026. They read them over and did not see any changes.

   <u>Motion</u>
   Director Samek moved to approve the minutes as written.
   Director J. Alexander seconded the motion carried with three ayes.

4. <u>Correspondence:</u>
   a. None

5. <u>Financial Review – Accounts Payable for Month Ending 01/31/2026</u>
   a. Mrs. Reid presented the Board with the list of invoices that were to be paid for the month of January. She let the Board know payroll taxes had been paid as always. The SDAO check was for our liability insurance, USA BlueBook was for test chemicals, PC Hardware was for additional bolts and nuts for instillation of the new pumps. All other invoices were normal for the month. She let the Board know the invoices for the pumps from Correct Equipment came in. They are a total of $7,293.60 and are coming out of the Capital Improvement fund. The invoice for G3 Electric came in, that was for instillation of the new electrical for the pumps, that invoice came to $3,355.23. Mrs. Reid also let the Board know an email came in from Christensen Plumbing for the instillation of the pipes and new water works for the new pumps. That invoice came to $17,107.97. Mrs. Reid thought that was high and is requesting a cost breakdown before that is paid. The Board agreed the email was vague and wanted a better invoice explaining why it was so high. It doesn't appear the man hours are correct; this seems high for two days of work. There were no other questions regarding the invoices for the month.

   <u>Motion</u>
   Director J. Alexander moved to approve and pay the invoices for January 2026.
   Director Samek seconded the motion carried with three ayes.

b. The Board was presented with the P&L and Balance sheet for the month of January. Mrs. Reid stated that we had a net loss of $8,094.73. We had $5,430 of water revenue and, $534 of taxes come in. Part of our loss was from the insurance bill and the other part was additional Operator wages due to the problems and instillation of new equipment at the plant. The balance sheet shows $250,530 in the LGIP Fund, $5,071 in the GF Savings and $28,110 in the General Fund. The there were no other questions regarding these reports.

c. There are three accounts on the delinquent on the list, for a total of $375.79. Mrs. Reid stated if they are not paid by the 15th she will send out delinquent notices. Director J. Alexander asked who "Wolf Palace LLC" was. Mrs. Romero explained it was the dog washing place.

6. <u>Operators Report for the Month of January 2026</u>
Mrs. Reid read the Operators Report out loud as Ms. Olson did not print out the report.

The report stated: For the month of January our plant ran a total of 441,890 gallons of water. With a total waste of 10.90% water loss for the month.

After the pumps were replaced and I have gotten things dialed in. The last few weeks the plant has ran amazing with no issues.
Working on getting things ready for the plant inspection with Jamie Craig on Feb 24th.
Still waiting on the chlorine pump. The current chlorine pump is making all sorts of noises. It's only a matter of time before it dies. It is on order but has not been received yet.
Softball season is around the corner first games start middle of march. So, I will be busy in the afternoons with that. Also, won't be available on away game evenings.

7. <u>Old Business</u>
a. Discussion re: Rate Increase
Mrs. Reid sent the Board an email outlining the surrounding districts and what they charged per month for water. She also sent out an email with various scenarios of overage costs. Mrs. Reid let the Board know neighboring water districts are running between $44 and $80 on their base rates. Director Samek stated it looked like a lot of work went into getting the information and putting together the overage spreadsheet. She mentioned everyone agreed on the $40 for the base rate, she thinks the overage charges should be based on the 1st proposal but doubling the cost at double the usage. Director J. Alexander stated he did not think that was enough of an increase on overages to deter people from using additional water. The Board

reviewed the various scenarios, they all agreed if a customer uses two times the usage they should be paying double the amount. Director C. Alexander asked about scenario number two, possibly increasing the cost of usage at three, four and five times the usage. If they are going to use that much water, they should be severely charged for it. Mrs. Reid mentioned between two, three and four times the usage is where the majority of the increased usage falls under. Director J. Alexander mentioned when we send out the letter, Mrs. Reid should include the conversion from CF to Gallons so customers know how to read their meters. Director C. Alexander asked Mrs. Reid, in her forecasting and opinion, what is the number that gets the District to where it needs to be. She mentioned also, the overage income can not be calculated into the "normal" monthly income because people will not always be using excess amounts of water. Mrs. Reid let the Board know she had received the projected increase for next FY from SDAO on the insurance and it is roughly an additional 12% increase again over this years 12% increase. She let the Board know the cost of making drinking water has also gone up again along with the cost of payroll. Mrs. Reid stated, in her opinion the base rate needs to be set at $45 and she thought the overages should be set at scenario two or four. This will give a little buffer in the budget and allow for a longer period of time to pass before having to do another increase. Director J. Alexander agreed this was a good idea. He stated $45 and plan number 2. He asked what had been decided for the commercial rate. Mrs. Reid stated the consensus was the base rate would be the same as the residential base rate but usage would be divided in half, in stead of 800cf it would be 400cf. Director C. Alexander asked what base rate was currently, Mrs. Reid stated it was $32. Director C. Alexander stated moving from $32 to $45 would be a $13 increase. Director J. Alexander mentioned our neighboring communities are still more. Director Samek mentioned we went with $40 because it seemed to work and it was that even number she was looking for. She agreed if we needed to go to $45, she gets it but we are not competing with neighboring districts we are not Tillamook. She mentioned she has spoken with some customers and past board members and they like that Cloverdale has low rates and still provides good drinking water. She agrees all of our expenses have gone up over the years and it is getting more expensive to run the plant. She agrees with the $45 base rate and thinks we need to use scenario one for the overages doubling the cost at two times the usage. The Board agreed we cannot count on revenue from overages. The Board concluded $45 base rate, scenario one with the cost doubling at two times the use.

Director J. Alexander asked about he bulk water sales. He is wondering what we charge for that. Mrs. Reid said she would have to look it up for sure but she believes it is $32 plus $5 for ever 100cf. Director C. Alexander stated we needed to look into that, and Director

J. Alexander stated that was a low fee for filling up a tanker and we needed to increase that also. He mentioned Ms. Olson needs to be present when they are filling up and we need to charge for her time. Mrs. Reid said she would look it up and have the information with a proposed increase at the next meeting. Director J. Alexander asked Ms. Olson if we had a hydrant meter, he thought Larry was going to get one when he was here. She stated she did not know but she would look and see if there was anything at the plant. Director C. Alexander mentioned we need to get it put on our rate and fee schedule as a special commercial rate or something, it needs to be on the rate and fee schedule though. She also asked if we have something in our Ordinance that states if someone is stealing our water, we can charge a penalty for that. Mrs. Reid said she believed there was something in the Ordinance regarding water theft but she was not sure what exactly it stated, she would have to look at it again. In conclusion, Mrs. Reid will look up the bulk water sales, put together a synopsis of new rates and get the draft letter to customers put together for the next meeting.

Director J. Alexander asked Ms. Olson if all of the hydrants had the placards on them with contact information. She stated they did not. He mentioned she should probably order them for all of the hydrants. She said she would look into getting them. She also mentioned she just bought new “No Trespassing” signs for the plant to keep people out.

Director J. Alexander asked how long the rate increase will take to go into effect. Mrs. Reid stated its roughly 4 months from start to finish as long as we have a quorum for every meeting where the Ordinance will be read. We begin the readings in April, it will take effect in July.

8. <u>New Business</u>
   a. ADU/SDC Info from Tillamook County Community Development
   Mrs. Reid let the Board know she had a meeting with Sarah Absher and others from County Development. It was in regards to SDC fees for ADU’s. They are looking at putting together a program in regards to payment for ADU’s where the County would help pay the SDC fee or a portion of it. If it was a portion, the remainder of the fee would be up to the owner to pay. If they County did pay the SDC it would be paid after the permit to occupy was issued. In essence the District would be getting paid for the SDC in arrears rather than up front. They are limiting the size of the ADU to 70% of the initial home size but not more that roughly 800sf. These ADU’s can be used for long term rentals with low rent and would be monitored for approximately 10 years. They are wondering if this is a program the District would be willing to participate in.

Director J. Alexander mentioned he didn't think the County allowed ADU's at this time. Mrs. Reid said they do but under different circumstances. This program would change that. He asked what the reasoning was for this program. Mrs. Reid mentioned they are looking for ways to create more lower income housing. They are also wanting to pay the SDC after the project to make sure it actually gets completed. This way they are not putting out funds for a project that never gets finished. Director C. Alexander asked if they gave any data as to how many ADU's are currently in Tillamook County. Mrs. Reid said they did not but she can ask. The Board briefly discussed the actual usage of an ADU and are concerned they would become "rentals" and not used as they should be. The Board asked for Mrs. Reid to keep them posted in regards to the program.

b. WIFI update for the plant
Director C. Alexander said she had looked at the map of what's up there now and its Charter main line on the pole. Ms. Olson said there was a big pile of wire laying up there on the ground and it looks like it has been ripped off of the pole. Director J. Alexander mentioned an alternative called "mesh tastic", these are routers that could be connected to Ms. Olsons WIFI and drawn to the plant via router extensions. He stated it would be possibly two mesh routers between her house and the plant. We can get her internet right away if it is needed right now. Director C. Alexander mentioned we should go take a look at it if it is on the ground. Ms. Olson said it was ripped down by a log truck. Director C. Alexander reiterated it is available and we can look into getting it at the plant.

c. Discussion re: Changing Meeting Date to the 2nd Tuesday
Mrs. Reid explained she would like to change the meeting date to Tuesdays, currently she is traveling two weekends out of the month and would like to decrease that. This would allow travel on Monday instead of Sunday. Director J. Alexander mentioned it may work with sports schedules better for now but could be hindered by track. Ms. Olson said she would miss some of the meetings due to softball. Director J. Alexander said she could just give an Operators report to the Administrator and it can be read out loud. The Board agreed they would change it. Mrs. Reid said she would get a resolution done for them to vote on at the next meeting. They agreed to hold the meeting in March on the 2nd Tuesday.

d. Review/Update Assistant Operator Water District Job Description
The Board was presented with the current job description. It hasn't been reviewed since 2023. Director J. Alexander mentioned the applicants needed to be vetted better this time we didn't want to go through this again. Director Samek mentioned she was disappointed in the loss of the other employee, she believes there are some things that need to be changed, and there needs to be a professionalism.

Such as an additional trainer if there are struggles with training. Director C. Alexander mentioned before it gets to frustrating to come to the Board so they can step in and help. Director J. Alexander mentioned some of the things should not be in the operators report and it may have been humiliating. Director C. Alexander stated she is good with words so is Director Samek. They can help if they need to, they would rather work with Ms. Olson and the new person so it doesn't come to the point of having to hire a new Assistant again and the issues are not on public record. Ms. Olson stated she didn't know and next time she will come to the Board with the problems. Director J. Alexander mentioned he would like to see the new Assistant get their SWS, they are put on throughout the year so it could be completed within nine months of being with the District. This would prove they are willing and able to be an operator. The Board would like to have this added to the job description. Mrs. Reid said she would make that addition and get the position posted. They would like to do the interviews as a Board.

9. Safety Topic
    a. Safety Committee Organization – Review & Sign
    The Board was presented with the Safety Committee Organization. Mrs. Reid stated it had not been updated in a few years and needed the current members on it. They reviewed it, Director Samek mentioned the meeting will be held on the second Tuesday of the month now not the first Monday. Mrs. Reid said she would make the correction and present it at the next meeting. The Board agreed everything else looked good.

10. Unscheduled Business
    a.

11. For the Good of the Order
    Next meeting is set for March 10, 2026

12. Adjourn
    Director C. Alexander adjourned the meeting at 8:10 pm

Motion
Director J. Alexander moved to adjourn the meeting.
Director Samek seconded the motion carried with four ayes.

These Minutes were approved by the Board of Directors, by the following votes:

Aye:__________ Nay:_________ Abstain: __________ Absent:__________

Attest:__________

____________________________________ ____________________________________

Board Member Board Member

____________________________________ ____________________________________

Date Date

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Minutes transcribed and submitted by Heidi Reid, Office Administrator