

**SEAL ROCK WATER DISTRICT  
MINUTES OF THE  
Regular Board Meeting  
May 14, 2026**

**Introduction to Remote Meeting:**

SRWD held this meeting through Zoom video conferencing and in person. Due to limited in-person meeting capacity, the public was encouraged to attend virtually.

**Attendance:**

Present in person were Commissioner Rob Mills, Board President; Commissioner Glen Morris, Member; Commissioner Amy Greer, Member; Commissioner Karen Otta, Treasurer; and Attorney Jeff Hollen, Legal Counsel. Present through Zoom video conferencing was Commissioner Saundra Mies-Grantham, Secretary. Staff present were Adam Denlinger, General Manager; Renee Card, Finance Manager; Brendi Hoch, Utility Billing Clerk; and Brad Wynn, Lead Operator.

**Excused Absences:** None

**Visitors Present:** Jim Long, Michelle Vincent, Marcus Molling, Mike Green, Nolan Davis, Kayla Tidmore.

**Call Meeting to Order & Announcements:**

President Rob Mills called the regular board meeting to order at 4:00 p.m., Thursday, May 14, 2026, and introduced the commissioners and staff present in the boardroom. There was only one announcement, GM Adam Denlinger announced details for John Garcia's memorial service. The agenda was reordered to prioritize public testimony regarding the proposed water rate adjustment and fiscal budget.

**Public Hearing:** President Mills opened the public hearing on the proposed water rate adjustment for FY 2026-27. Staff received and responded to two emails from customers that were included in the meeting files as public comments. Margaret Iverson opposed the proposed increase due to rising inflation, suggesting the District cover operational increases through stricter budgeting. Mike Green opposed the increase highlighting concerns that local rates are now higher than other West Coast regions and questioned current water quality.

**Late-Arriving Written Comments (Distributed to Board):**

Staff received and responded to three written public comments via email after the publication of the meeting packet. The Board noted, reviewed, and formally appended all written testimonies to the official meeting materials. Rose Estes submitted written opposition to any water rate increase, citing financial hardship and questioning the necessity of the increase. Becky Lammerding also submitted written opposition to the rate increase, citing personnel service costs and requesting an independent audit. A written comment was received from Mark Lull expressing gratitude to the staff and board, noting his support and trust in the organization's ability to maintain high water quality standards.

**Public Comments:**

Jim Long expressed appreciation for Board service and noted base water rates have increased approximately 43% since 2021, exceeding inflation. He requested clarification. Board/Staff responded that the rate structure adjustments reflect infrastructure costs, capital improvements, grant-matching reserves, short-term rental capacity demands, and effort to balance fixed vs. usage-based fees.

Kayla Tidmore reported increasing water bills despite reduced usage and requested more detailed budget transparency. She noted significant increases in personnel costs and questioned allocation priorities while raising concerns about affordability of water as a basic necessity. Board/Staff responded that cost increases are driven by health benefits and personnel-related costs, operation of a new water treatment facility, and post-pandemic cost increases (fuel, training, supplies). The District operates as a local government not a nonprofit entity with training costs that are required for certified operators. The budget follows Oregon Budget Law and reflects cost of service, however the Board reviews expenditures and seeks cost reductions where possible.

Mike Green thanked Adam Denlinger for providing detailed written answers to his written public comments regarding the proposed water rate increase. He inquired if water rates would ever decrease if operational costs, such as fuel and tariffs, eventually go down, expressing concern that municipalities rarely lower rates and that continuous increases heavily burden residents on fixed incomes. Board/Staff explained that volatility impacts the cost of all municipal supplies and cited examples of current financial and operational pressures driving the budget.

Michelle Vincent supported prior opposition to the rate increase, emphasizing the community's need for transparency regarding rising costs and the specific allocation of funds.

62 Nolan Davis raised questions regarding the District's high water rates compared to the rest of the Oregon coast, and asked  
63 if capital spending could be scaled back. The Board and Staff clarified that current rates reflect the debt service on the  
64 WTP, which protects the district from more severe rate increases due to water rights competition associated with the  
65 Toledo system. Emphasis was placed on the inability to stop infrastructure spending completely due to 75-year-old piping  
66 needing replacement and noted that the upcoming Water Master Plan update will outline future funding strategies in a  
67 climate of shrinking grant availability.

68 Marcus Molling expressed dissatisfaction with road repairs following water project construction, citing the financial burden  
69 of combined road district assessments and water rate increases. Board/Staff responded that all post-project road repairs  
70 met the criteria of the District's agreement with the Makai Special Road District. Noting that while certain sections did not  
71 turn out perfectly and recent outside development has exacerbated road wear, staff will continue trying to coordinate  
72 solutions directly with the road district.

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74 **Public Hearing:** President Rob Mills closed the rate hearing and opened the budget hearing to accept public testimony  
75 regarding the FY 2026-27 budget, in the total sum of \$10,517,590. Staff received and responded to one public comment  
76 email that was received after the publication of the meeting packet. Becky Lammerding requested a definition of the term  
77 capital outlay as listed in our Notice of Budget Hearing publication.

78  
79 **Public Comments:** Kayla Tidmore reiterated concerns over annual rate increases tied to the FY 2026-27 budget. She  
80 expressed a need for clearer public-facing financial explanations which makes annual rate adjustments appear to penalize  
81 consumers for new projects, and a desire for long-term financial stability. The Board and Staff explained that incremental  
82 increases protect the District from emergency liabilities and provide capital matching funds to convert to grant  
83 opportunities. State and Federal funding bodies require annual Consumer Price Index (CPI) adjustments as a condition  
84 for assistance. President Mills closed the budget hearing.

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86 **Adoption of Consent Calendar:**

87 Items on the consent calendar include the April 2026/May 2026 Invoices List for approval; April 9, 2026, Regular Board  
88 Meeting minutes; April 23, 2026, Budget Committee Meeting minutes; the Financial Report; and the General Manager's  
89 Monthly Report. Commissioner Morris moved to approve the consent calendar as presented. Commissioner Otta  
90 seconded the motion. The motion carried unanimously.

91  
92 **Discussion and Information Items:**

93 **Source Water Operational Status:**

94 GM Denlinger provided an update on the installation of new filtration membranes, noting that while key materials have  
95 arrived, the project is slightly delayed due to pending components like gaskets and U-bolts. Installation is now projected  
96 for the second week of May and will require a week-long shutdown of the WTP, during which time the district will receive  
97 water from the City of Newport. Additionally, the board discussed concerning state reports of a 13% average snowpack;  
98 while Beaver Creek is primarily rain-fed rather than snow-fed, management is closely monitoring stream flows and the  
99 potential for a regional drought emergency declaration.

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101 **Voluntary Four-Day / Flexible Work Week Pilot Program:**

102 GM Denlinger proposed a flexible four-day work schedule. The proposal would allow employees to work four ten-hour  
103 days, with the office closed on Fridays. The anticipated benefits include reduced operating costs, improved efficiency,  
104 and enhanced employee recruitment and retention. The Board indicated general support for the proposal, with  
105 implementation anticipated to coincide with adoption of the updated employee personnel handbook.

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107 **Decision Items:**

108 **Adoption of Resolution 0526-02 authorizing staff to submit the SRWD Final Draft DWPP**

109 GM Denlinger presented a resolution authorizing the GM to submit the Seal Rock Water District (SRWD) final draft  
110 Drinking Water Protection Plan (DWPP) and accompanying transmittal letter to the Oregon Department of Environmental  
111 Quality (DEQ) and Oregon Health Authority (OHA) for agency review. Commissioner Morris moved to approve the  
112 resolution and Commissioner Otta seconded the motion. The motion passed unanimously.

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114 **Adoption of Resolution 0526-01, Capitalization for assets increase**

115 Finance Manager Renee Card presented a resolution to increase the District's capitalization threshold for capital assets  
116 from \$2,500 to \$8,000 per auditor recommendation. Commissioner Morris moved to adopt the resolution as presented,  
117 Commissioner Otta seconded the motion. The motion passed unanimously.

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119 **Commemorative Recognition for Former Board President John Garcia**

120 The Board then considered an item recognizing the contributions of former Commissioner John Garcia. Board members  
121 discussed the significant role Mr. Garcia played in stabilizing and advancing the district during challenging periods in its  
122 history. A motion was made by Commissioner Morris and seconded by Commissioners Otta and Mies-Grantham to name

123 the district building in his honor and to install a commemorative plaque recognizing his service and contributions to the  
124 district. The motion passed unanimously.  
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126 **Report, Comments, and Correspondence:**

127 General Manager Performance Review due in June.

128 SRWD Office will be closed on May 25<sup>th</sup> in observance of the Memorial Day holiday.

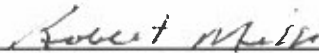
129 Staff noted receipt of public comments regarding the rate increase and budget and encouraged continued community  
130 engagement including potential outreach to community members for participation in the Budget Committee.

131 Coordination with the Garcia family regarding the memorial recognition was suggested.  
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133 **Executive Session:** None  
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135 **Adjournment:** A motion to adjourn was made by Commissioner Morris and seconded by Commissioner Otta. President  
136 Rob Mills adjourned the meeting at 5:36 p.m.  
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138 **Other Scheduled Meetings:** June 11, 2026, at 4:00 p.m. Regular Board Meeting  
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150 Approved by Board President

06/11/2026  
Date: