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Seal Rock Water District

General Manager's Report:
 Board Meeting – September 9, 2026

This report provides an executive-level update on district operations, source water management, staffing, and ongoing initiatives. Additional details and supporting documentation are available in the full agenda packet.

➤ Water Treatment Plant Server and Remote Access System Update:

On Tuesday, September 1st operators experienced an interruption of remote access to the Water Treatment Plant (WTP) computer systems. The interruption prevented operators from remotely connecting to the virtual machines used to monitor and operate the plant and to administer the plant's control and engineering systems. This has been an ongoing issue.

The issue was evaluated by Jacobs engineers, who were able to access the system locally and perform additional diagnostics. Their evaluation determined that the problem is associated with the RAID controller (PERC card) in the Dell physical server identified as Server02. This hardware controls the server's hard drives and is critical to the operation of the virtual server environment.

Current Status

Jacobs was able to establish access to the District's VCenter management platform through the WTP network. This allowed the engineers to evaluate the virtual machines and troubleshoot the physical server.

The investigation identified a fault with the RAID controller on Server02. Jacobs has recommended that Dell replace and/or update the affected hardware and return the server to full Dell support. Staff is currently working with Jacobs engineers and Dell OT technicians to coordinate the appropriate repair and determine the best path to restore the system to full operational status.

The issue appears to be related to a recurring hardware problem that the district has experienced previously. While the current Server02 diagnostic log indicates that the condition has been occurring since 2025, the district's history indicates that similar PERC/RAID controller issues have been addressed as far back as 2023. This history reinforces the need to resolve the underlying hardware issue rather than simply restore remote access temporarily.

Remote Access and Plant Operations

It is important to emphasize that the issue primarily affected remote access and administration of the WTP computer environment. District staff and Jacobs engineers were able to access the system locally and work through the network and server environment to diagnose the problem.

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Staff is continuing to coordinate with Jacobs and Dell to complete the necessary hardware repair and verify that the virtual machines, plant monitoring capabilities, and remote-access functions are operating reliably.

System Backups

During their assessment, Jacobs also identified that the district's automatic system backups have not been occurring as expected. Jacobs will include this issue in its broader system assessment.

Staff recognizes that reliable backups are an important component of the district's operational resilience and cybersecurity/business continuity program. Once the immediate server hardware issue is addressed, staff will work with Jacobs to evaluate the backup system, identify why automated backups stopped, and confirm that appropriate backup and recovery procedures are functioning properly.

At no time was the WTP out of service as a result of this issue. Water production and treatment operations have remained fully operational, and there has been no disruption or interruption of water service to District customers.

Next Steps

Staff will continue to:

- Coordinate with Jacobs engineers and Dell OT technicians to replace or update the affected PERC/RAID controller.
- Restore and verify reliable remote access to the WTP server environment.
- Confirm the proper operation of the RDS01 and Engineering Workstation virtual machines.
- Evaluate the condition and support status of the District's server hardware.
- Investigate and restore automatic system backups.
- Incorporate the findings into the broader WTP SCADA/IT system assessment.
- Develop recommendations for improving the long-term reliability, support, redundancy, and cybersecurity of the WTP computer infrastructure.

The source of the recent remote-access problem has been identified as a hardware issue with the RAID controller in Server02. Staff are actively working with Jacobs and Dell to correct the problem and restore the system to reliable operation. The identification of the backup-system issue also provides an opportunity to address broader system reliability and business-continuity concerns as part of the ongoing WTP technology assessment.

➤ Seal Rock Water District Drinking Water Protection Plan:

The Seal Rock Water District (District) has completed its Drinking Water Protection Plan (DWPP) for the Beaver Creek watershed. The plan was prepared by GSI Water Solutions, Inc. with financial assistance through a Clean Water State Revolving Fund planning loan from the Oregon Department of Environmental Quality (DEQ). The DWPP provides the district with a comprehensive, long-term framework for protecting the quality and reliability of its primary drinking water source while supporting the continued delivery of safe and dependable drinking water to District customers.

Purpose of the Plan

The district transitioned to Beaver Creek as its primary water source in 2022. The Beaver Creek Drinking Water Source Area (DWSA) encompasses approximately 30.49 square miles, with approximately 52 percent located within the Siuslaw National Forest and the remainder consisting primarily of private rural residential, industrial forest, and agricultural lands. Because much of the watershed is outside the district's jurisdiction, protecting the drinking water source requires cooperation and communication with federal and state agencies, local governments, watershed organizations, landowners, and other stakeholders.

The DWPP was developed through a collaborative process involving District staff, government agencies, watershed organizations, landowners, technical experts, and community members. Public meetings were held in January and April 2026, and public input was incorporated into the final risk assessment and implementation strategies. The District Board reviewed the Final Draft and approved its submission to DEQ and OHA in May 2026.

Key Findings

The DWPP evaluates potential risks to both water quality and water quantity within the Beaver Creek watershed. Risks were evaluated according to their likelihood and potential impact and categorized as high, medium, or low priority.

The most significant high-priority risks identified in the plan are:

- **Drought**
- **Low streamflow**
- **Tsunami**
- **Saltwater intrusion**
- **Severe storms and flooding**
- **Septic systems**
- **Livestock**

These risks are particularly important because they can affect the District's ability to obtain sufficient raw water, increase treatment challenges and costs, or potentially result in a temporary or prolonged loss of the Beaver Creek supply.

The plan also identifies a number of medium-priority risks, including erosion, landslides, earthquakes, wildfire, invasive species, infrastructure failures, vandalism and sabotage, cybersecurity, forest management activities, chemical applications, rural residential activities, roads and stream crossings, recreation, off-grid encampments, and dumpsites. Agriculture and electric power transmission lines were generally identified as lower-priority risks.

Protecting Water Quality and Water Quantity

A central finding of the DWPP is that source water protection is an ongoing process rather than a single project. The district cannot eliminate every potential risk within the watershed; instead, the objective is to reduce the likelihood and severity of events that could adversely affect the drinking water supply.

The plan establishes seven broad categories of protection strategies:

1. **District activities**
2. **Monitoring**
3. **Landowner coordination**
4. **Public outreach**
5. **Pollution prevention**
6. **Critical-area protection and watershed restoration**
7. **Emergency planning**

These strategies build upon activities the District already performs, including water-quality and streamflow monitoring, infrastructure maintenance, water conservation, emergency planning, facility security, and coordination with watershed partners.

Phased Implementation

The DWPP establishes a three-phase implementation program designed to prioritize the most important actions while recognizing that District staffing, funding, and other resources are limited.

Phase 1 – Years 1–2:

Focuses on high-priority risks and activities that can be implemented relatively quickly. Initial efforts include maintaining infrastructure inspection and maintenance programs, continuing leak detection and AMI efforts, maintaining backup water supplies, expanding water-quality monitoring, developing relationships with watershed landowners and agencies, identifying critical areas, and updating emergency-response planning.

Phase 2 – Years 2–4:

Focuses on activities requiring additional planning, partnership development, and funding. These include implementation of priority infrastructure improvements, expanded monitoring, source-water protection projects, pollution-prevention initiatives, and development of additional watershed partnerships.

Phase 3 – Year 5 and beyond:

Focuses on longer-term projects, ongoing monitoring and partnerships, restoration activities, and actions that are triggered by specific events or become appropriate as conditions change.

Importantly, the plan recognizes that implementation is dependent upon available funding and staff resources. The District will annually review implementation progress, assess effectiveness, and determine whether new actions are necessary as conditions in the watershed change.

Monitoring and Early Detection

Enhanced monitoring is an important component of the plan. The District will continue its existing water-quality monitoring, including turbidity and salinity, while developing an expanded monitoring program and centralized database for water-quality and hazard information.

The plan also recommends developing event-specific monitoring protocols for situations such as wildfire, severe storms, landslides, and chemical applications. Long-term monitoring data will help the District identify trends, evaluate emerging risks, improve emergency response, and support future water-supply planning.

Collaboration with Watershed Partners and stakeholders

Because the District does not control most land within the Beaver Creek DWSA, collaboration is fundamental to successful implementation. The district will continue developing relationships with the U.S. Forest Service, Oregon Department of Forestry, Oregon Parks and Recreation Department, Lincoln County, Lincoln Soil and Water Conservation District, MidCoast Watersheds Council, watershed landowners, and other organizations.

The district's role is primarily to communicate, coordinate, monitor, educate, and support voluntary source-water protection activities, rather than regulate land uses outside its jurisdiction. This collaborative approach is particularly important for forestry activities, chemical applications, septic systems, livestock management, road maintenance, erosion control, invasive species, and watershed restoration.

Emergency and Contingency Planning

The DWPP also strengthens the district's ability to respond if Beaver Creek becomes temporarily or permanently unavailable. Potential threats include drought, low streamflow, landslides, earthquakes, tsunamis, saltwater intrusion, severe storms, wildfire, major infrastructure failures, cybersecurity incidents, chemical applications, septic failures, road incidents, encampments, and dumpsites.

The district has several important contingency resources already in place. These include interconnections with the Cities of Newport and Toledo, approximately 3.5 million gallons of storage, and a four-stage water-curtailment program contained within the District's Water Management and Conservation Plan. Under average-day demand conditions, full storage could provide approximately 10 days of supply, with conservation and curtailment measures capable of extending that period.

For a longer-term loss of Beaver Creek, the District may rely on interconnections, infrastructure repairs, conservation measures, and potentially its existing Siletz River water right. The DWPP notes that the District's Beaver Creek water right is currently expected to be sufficient to meet projected demands over the 20-year planning period, and therefore the plan does not identify a need to develop a new water source at this time.

Relationship to the District's Long-Term Planning

The DWPP is intended to complement, rather than replace, the district's other planning documents. Source-water protection considerations will be incorporated into future updates of the District's Water Master Plan (WMP), Capital Improvement Plan, Water Management and Conservation Plan, Emergency Response Plan, and other relevant planning documents.

The plan specifically identifies infrastructure improvements, water-supply planning, leak reduction, treatment improvements, facility security, cybersecurity, and continued evaluation of backup supplies as important District responsibilities.

Board-Level Takeaway

The Drinking Water Protection Plan provides the district with a practical roadmap for protecting Beaver Creek while recognizing the operational, financial, and jurisdictional realities of source-water protection.

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The most important takeaway for the Board is that the DWPP does not create a requirement for the district to immediately undertake every project identified in the plan. Instead, it establishes priorities and a framework for moving forward over time as resources, partnerships, funding opportunities, and watershed conditions allow.

Going forward, staff will focus on:

- Protecting the reliability of Beaver Creek as the District's primary water source;
- Prioritizing drought, low streamflow, saltwater intrusion, severe weather, and other high-risk conditions;
- Maintaining and improving water-quality and streamflow monitoring;
- Continuing infrastructure maintenance, leak reduction, treatment improvements, and water-supply planning;
- Strengthening relationships with watershed landowners and partner agencies;
- Pursuing grant and other outside funding opportunities for source-water protection projects;
- Integrating DWPP priorities into the upcoming Water Master Plan and Capital Improvement Plan;
- Maintaining effective emergency response and backup water-supply capabilities; and
- Reviewing the DWPP implementation plan annually and adapting priorities as conditions change.

Ultimately, the DWPP reinforces the district's commitment to protecting the source of our drinking water before problems reach the treatment plant, while using a phased and financially responsible approach to improve the long-term resiliency of the district's water supply.

Additional District Activities & Updates:

Staff/Safety Meeting: Continued emphasis on safety culture and best operational practices.

Water Conservation Coordination: Participated in discussions with the Lincoln County Water Conservation Committee.

SDAO Nominating Committee: Participated in applicant interviews to serve on the SDAO Board.

Drinking Water Protection Plan: SRWD Drinking Water Protection Plan is complete and available on the district's website.

Water Master Plan: Staff met with engineers to discuss progress on the development of the WMP.

Mid-Coast Water Planning Partnership: Participated in the monthly regional partnership meeting.

SDAO Legislative Committee Meeting: Participated in the SDAO legislative update.

SDAO Conference Committee Meeting: Participated in the SDAO Conference Committee and evaluation of keynote speakers.

SDAO Employee Recruitment Panel: Served on interview panel to fill the SDAO Public Finance Associate position.

Jury Service: Was selected to serve on a jury the week of August 17th.

Water Treatment Plant: Attended several meetings with engineers to discuss WTP server issue.

SRWD continues to actively manage operational challenges, regulatory responsibilities, and infrastructure needs while maintaining our commitment to delivering safe, reliable water service to the community. Staff remain focused on continuous improvement and advancement of district goals.