

**Lake Grove Water District
Minutes of Regular Board Meeting
June 15, 2026**

The meeting of the Lake Grove Water District Board of Commissioners was called to order at 5:59 p.m. at the Home Building Association, 15555 Bangy Rd. Lake Oswego, OR 97035 and chaired by Dan Taylor. In person: Virgil Pearce, Paul Howard, Edward Hodges, Tyler Curtis, Larry Kitchen, JD Pavek, Tammy Schalk, and Bruce Goldson.

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1. **PUBLIC COMMENT:** None.
 2. **AGENDA APPROVAL:** Larry Kitchen made a motion to approve the agenda. Virgil Pearce seconded the motion. A vote was called. In favor: All. Abstain: JD Pavek.
 3. **CONSENT AGENDA:** Larry Kitchen made a motion to approve May 18, 2026, Board meeting minutes. Virgil Pearce seconded the motion. A vote was called. In favor: All. Abstain: JD Pavek. Larry Kitchen made a motion to approve the May 2026 financial. Virgil Pearce seconded the motion. A vote was called. In favor: All. Larry Kitchen made a motion to approve the May 2026 accounts payable. Virgil Pearce seconded the motion. A vote was called. In favor: All.
 4. **NEW BUSINESS: BUDGET HEARING:** Larry Kitchen made a motion to approve resolution 2026-02, adopting the budget for fiscal year 2026-2027. Dan Taylor seconded the motion. A vote was called. In favor: All.

5. **OLD BUSINESS:**

NW Natural Water Services Contract: The District manager reported that Clark Balfour reviewed the contract and confirmed it is ready for signature. Once signed, the contract will be returned to Silas Olson.

Board Policy Revisions: JD Pavek reviewed the District's 2019 board policy against the 2025 SDAO template and began adapting the template to include District-specific provisions discussed with the District manager. He plans to provide a marked-up draft with supporting background information for the District manager and counsel for review before the next Board meeting.

LGWD Possible Rate Increase for 2026: The District manager presented rate options and deadlines for Board consideration. Larry Kitchen reported that annual water costs are projected to rise from about \$870,000 to \$1.25 million by 2031, requiring roughly \$400,000 in additional revenue over four years. Larry Kitchen will provide the Board with additional data for further discussion and a final decision will be made at the July Board meeting.

5. **DEPARTMENTS:**

COMMISSIONERS: Larry Kitchen reported usage reached 13,000 in April and May, below the 16,000 targets. Limiting June, Lake Oswego intake to 3,000 this should help reduce the peaking factor overtime.

NW NATURAL WATER SERVICES: Summer projects are being worked on. Aaron Olson will prepare a report summarizing monthly usage.

OFFICE: District manager advises that funds need to be transferred from the state government pool general account into the U.S. Bank checking account to cover the expenses expected in July and part of August. Larry Kitchen made a motion to transfer \$100,000 from the state government pool general account to the U.S. Bank general checking account. Virgil Pearce seconded the motion. A vote was called. In favor: All. District manager suggests transferring some funds from the U.S. Bank SDC checking account to the state government pool SDC account. The interest rate is better there. Larry Kitchen made a motion to transfer \$250,000 from the U.S. Bank SDC checking account to the state government pool SDC account. Virgil Pearce seconded the motion. A vote was called. In favor: All.

6. ENGINEER: Current updates on the following projects:

Sunset Commons – (16607 Boones Ferry– residential/commercial) LGWD needs updated plans. No change. Unable to contact the developer.

5342 Bonita – A 1-inch meter service is required and locates have been requested.

6122 Carman Drive – (Pole Barn House) Tentative schedule for new service this summer.

16085 Inverurie Road (Woodlands Estates) – This 4-lot subdivision has been approved, but the preconstruction schedule is unknown. Ed M. has been contacted, and the District is waiting for data from the developer.

16158 Parker Road- The termination is to be scheduled during a period of drier weather.

16284 Bonaire Ave – The meter is size at 1-inch. No Schedule yet.

15985 Lake Forest Blvd. – New construction plans have been submitted and reviewed. A 1-inch meter service is required.

5110 Carman Dr – The 2-lot partition plans have been reviewed and is ready for preconstruction. There is no change.

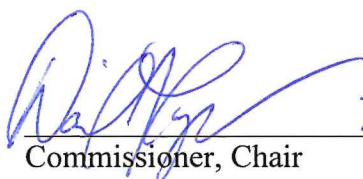
6195 Burma – This 4-unit Clackamas County project is being expedited for land-use review. The application has been received and is awaiting payment and plans.

City Path Project – Water meter protection is needed at the traffic circle for the Waluga construction.

16525 Inverurie Rd – A 1-inch meter service is required. SDC fees and plans are still pending.

16650 Boones Ferry Rd – LU25-0026, Steve Kaer's mixed-use application, is in the contractor selection bid process.

6. MEETING ADJOURNED at 6:36 pm.


Commissioner, Chair 7/20/2026
Date


Commissioner 7/20/2026
Date