

NETARTS-OCEANSIDE SANITARY DISTRICT  
1755 CAPE MEARES LP. RD. W.  
TILLAMOOK, OR 97141  
PHONE: (503) 842-8231  
FAX: (503) 842-3759  
TTY Relay Service: (800) 877-8973

June 20, 2024

**FY 2024-25 BUDGET HEARING MEETING TO ADOPT THE BUDGET.**

**Budget Committee Members Present:**

John Prather, Board Chairperson  
Jim Carlson, Member-At-Large  
Jerry Keene, Budget Officer/Treasurer  
Simeon Dreyfuss, Secretary  
Jeff McBrayer, Member-At-Large

1. The Budget Committee Meeting to Adopt the FY 2024-25 Budget was called to order at 5:30 P.M., by John Prather.
2. The Board reviewed the previously distributed Budget Minutes of: May 16, 2024, FY 2024-25 Budget Committee Meeting. **Keene Moved to approve the May 16, 2024, FY 2024-25 Budget Committee Meeting Minutes as presented. Dreyfuss seconded. Motion passed by a vote of 4 to 0.**
3. Budget Officer, Jerry Keene presents the FY 2024-25 Budget for Review and Adoption. **Keene Moved to Adopt the FY 2024-25 Budget as presented. Dreyfuss seconded. Motion passed by a vote of 5 to 0.**
4. Resolution 24-02 “Resolution Adopting the Budget” for FY 2024-25. **Dreyfuss Moved to adopt Resolution 24-02 “Resolution Adopting the Budget” for FY 2024-25 with a date change. McBrayer seconded. Motion passed by a vote of 5 to 0.**
5. There being no further discussion on the FY 2024-25 Adoption of the Budget, Prather adjourned the Budget Meeting at 5:35 P.M. and went into the Regular Board Meeting.

## **REGULAR BOARD OF DIRECTOR'S MEETING**

Minutes of the June 20, 2024, regular monthly meeting of the Netarts-Oceanside Sanitary District Board of Directors.

1. The regular monthly meeting of the Netarts-Oceanside Sanitary District (NOSD) Board of Directors was called to order at 5:35 P.M. by John Prather, Board Chairperson. The meeting was held in the NOSD Board Room.

**BOARD MEMBERS PRESENT:**

John Prather, Board Chairperson  
Jim Carlson, Member-At-Large  
Jerry Keene, Treasurer  
Simeon Dreyfuss, Secretary  
Jeff McBrayer, Member-At-Large

**EMPLOYEES PRESENT:**

Daniel Mello, District Superintendent  
Erin Mello, Ass't Office Manager  
Brian Mello, Lead Operator  
Leancon Loving, Operator  
Shawn Parker, Ass't Lead Operator  
Jacey Pyatt, Office Specialist  
Nick Reneau, Operator

2. Approval of Agenda. **It was a consensus of the Board to approve the Agenda as presented.**
3. **GUESTS: NONE**
4. **PUBLIC COMMENTS: NONE**
4. **BOARD QUESTIONS; COMMENTS; DISCUSSION: At this time McBrayer takes moment to explain to the rest of the Board that he had a discussion with Dan Mello regarding the possibility of an antenna and how it would be installed behind the Fire Department Emergency Operations Center.**
6. The Board reviewed the previously distributed **Minutes** of:  
May 16, 2024, Regular Board Meeting.  
**Dreyfuss Moved to approve the May 16, 2024, Regular Board meeting Minutes as amended. Keene seconded. Motion passed by a vote of 5 to 0.**
7. The Board reviewed the **Financial Statements** for:  
**May 31, 2024**, for all Funds. Dan Mello and Erin Mello answered all questions to the Board's satisfaction. **McBrayer Moved to approve the May 31, 2024, Financial Statements as presented. Dreyfuss seconded. Motion passed by a vote of 5 to 0.**

**At 5:48 P.M. McBrayer excuses himself for a medical call and will return to the meeting afterwards.**

8. May 2024 **Board Audit** for review:

**May 2024**

General Fund in the amount of:	\$103,233.46
System Development Fund in the amount of:	\$234.00
Capital Resource Fund in the amount of:	<u>\$62,502.57</u>
Total	\$165,970.03

Dan Mello and Erin Mello answered all questions concerning the Board Audit to the Board's satisfaction.

9. **DISTRICT REPORT:** A copy of Mello's Operation and Maintenance Summaries is attached. The following additional information was presented and discussed.

May 2024 Discharge Report had no violations.

The average discharge to the Outfall off TSS was 1.0 mg/L and 4.0 mg/L of BOD for the month of May 2024. Our Permit allows 30 mg/L monthly average for each. The Treatment Plant's removal efficiency is 100% TSS and 98% BOD: the Permit requires a minimum of 85% removal.

**Collection System:**

In July Underground Tech will be onsite for I&I work. There will be some point repairs and manhole coating.

The Oceanside Hotel project has sent NOSD some flow estimates, and I have sent them to Westech Engineering for review. It does appear that the possible flow increases could require pump station modifications to accept the change in pump size, control panel, electrical load on the existing feed lines and force main sizing. We do not have flow estimates for the Motel project on Pacific Ave. to replace the cabins. Mello states that there has been no change in status for these two projects as of June 17, 2024.

**Pump Stations:**

The new Cummins generator was ordered on September 22, 2023, with a new Factory Lead time estimate to 42-44 weeks. I was notified on April 10, 2024, that the new Ocean Highlands generator delivery has been pushed out from mid-August to the end of October 2024. As of June 17, 2024, the new revised ship date is still November 13, 2024.

Xylem has provided an estimate for replacing the Ocean Highlands Pump Control panel at \$44,966.92. The estimate is for the control panel only with no installation costs. Xylem will have Cherry City Electric send NOSD an estimate directly for this project.

Mello states that he had a request from John Prather to get an estimate for brush and tree removal from the PUD easement that was cut by PUD, located at the Main PS hillside. I contacted Walker Tree Service and North Coast Lawn for estimates. So far, I have only received one estimate from North Coast Lawn. **After a brief discussion the Board feels that the estimate from North Coast Lawn was high. Mello will still try to attempt to get a second estimate.**

All other pump stations are operating without issues.

**Treatment Plant:**

Mello stated that the Treatment Plant is operating well within its permit limits.

Honeysuckle Landscape has quit the landscaping maintenance for the office flower beds, shrubs and gate entrance. I have attached the price increase for North Coast Lawn to take over the maintenance around the office.

**Capital Improvement Projects:**

Mello states that the contractor has completed the electrical MTS installation at the Netarts PS per the design. After the Tillamook County Electrical did the inspection, he had issues with the installation and that the permit was issued for a 200-amp service instead of the installed 400-amp service. The inspector did give NOSD a temporary utility power reconnection, but some corrections will be required before the project is approved. I have met with the District's engineers to have them address the corrections required. I hope to have an estimate for the cost by the Board meeting. The portable generator arrival is now estimated to be in early to mid-July 2024. This project cannot be completed until the generator is here and both pump stations MTS panels have been tested. Mello proceeds to say that he has been updated and the portable generator will be delivered to the Plant on June 21, 2024.

Mello also states that he has contacted Westech to provide the district with the next steps and costs for the New Avalon PS project. I should have a draft by the June Board meeting.

**New Equipment Purchase/Repair Request:**

Mello states that the office server UPS backup is failing and will need to be replaced. I am waiting for the cost estimate from CenterLogic.

**Office Equipment Purchases and Updates:**

None

**Personnel:**

Fill the open Office Manager Position.

We have an open operator position and are advertising now for thirty days.

Mello states that he was contacted by Weeks Vocational Inc. requesting if we would train another operator from the Preferred Workers Program. I will meet to interview the new candidate on June 24, 2024.

**Operations Summary:**

The District's Treatment Plant has been in operation for ten plus years and is now requiring continual attention. We have replaced the treatment plants Air Valves and replaced or rebuilt the blowers in 2022 and 2023. Several pump stations have been in service since 2005 since their last major update. The Netarts pump station had its control panel updated June 2021 and the generator transfer switch was replaced in January 2023. We are in the process of adding additional manual transfer switches to the Netarts and Oceanside pump stations for additional power redundancy. The Happy Camp and Ocean Highland pump stations are the last of the functioning Multitrode Control Panels that are now obsolete.

The district should budget approximately \$60k each to upgrade these control panels over the next three to five years. This cost can be addressed by scheduling to change one in a single budget year and the other the following year opposed to both in one year.

The Ocean Highlands PS has had a failure of the onsite generator. The generator engine is obsolete as well as parts of the generator itself. On September 22, 2023, an order for a replacement generator was placed at a cost of \$27, 548.81. The district has completed its permit required sludge depth survey. The district should start increasing its budget biosolids line item to approximately \$200k over the next 5 years to meet the costs of disposal.

Although the system overall is performing well, annual costs are increasing for repairs and maintenance. Some of the original equipment is now obsolete or the cost to repair exceeds replacement costs. This is also made more difficult with the increasing availability and long lead times to receive parts. We are facing on average 5-7 weeks and as much as 14-17 weeks for parts and repairs services.

The Districts NPDES permit requires annual maintenance to reduce the inflow and infiltration (I&I) into its collection system. We have spent annually on average \$40K for I & I reduction, but anticipate increasing that to approximately \$60k and adding an additional operator to keep up with the repairs.

With the increased maintenance of the WWTP and pump stations, more operator time is needed to inspect the collection system on a regular time schedule. The video inspection is needed to locate the I & I, root intrusion and potential overflow issues, so we can schedule repairs. Operator positions are becoming increasingly difficult to fill, due to the larger demand for operators throughout the state. We have filled one open operator position, added, and filled an additional operator/trainee position in August and September 2022.

- 10. **OLD BUSINESS:** A. Avalon Pump Station Project
- B. Oceanside Pump Station Upgrade (Hotels)
- C. Office Manager Position Fill

11. **NEW BUSINESS:**

- A. Resolution 24-02A “Imposing the Tax”. **Dreyfuss Moved to adopt Resolution 24-02A “Imposing The Tax,” subject to any changes from the current amount of \$29,537.52 and the amended date change. Carlson seconded. Motion passed by a vote of 4 to 0. Prather and Keene will come into the office to sign Resolution 24-02A after the office staff has processed the delinquent accounts to collections with a final total.**
  
- B. Resolution 24-03 “List of Delinquent Accounts” to be certified to Tillamook County Assessor’s and to be assessed against the tax rolls for the described properties after July 15, 2024, for FY 2024-25 as per ORS 454.225. It was stated that this total of \$29,537.52 is subject to change, as more of the Customers will pay. **Keene Moved to adopt Resolution 24-03 “List of Delinquent Accounts” to be certified to the Tillamook County Assessor’s and be assessed against the tax rolls for the described properties after July 15, 2024, for FY 2024-25 per ORS 454.225, subject to any changes. Dreyfuss seconded. Motion passed by a vote of 4 to 0. Prather and Keene will come into the office to sign Resolution 24-03 after the office staff has processed the delinquent accounts to collections with a final total.**
  
- C. Resolution 24-04 “A Sanitary Sewer User Fee Increase effective July 1, 2024” **Keene Moved to adopt Resolution 24-04 “A Sanitary Sewer User Fee Increase effective July 1, 2024” Dreyfuss seconded. Motion passed by a vote of 4 to 0.**
  
- D. Bluefin Merchant Account contact update form. **It was a consensus of the Board to remove Tami Walker and Yvonnette Blaser and place Erin Mello as the Districts Bluefin Merchant account holder on both accounts.**
  
- E. Springbrook Cloud Migration Contract. **After a brief discussion the Board has decided that the new annual fee of double what the District had been paying is high. The Board has asked the office to check into the pricing of different agencies.**

**At this time McBrayer returns to the meeting at 6:32 P.M.**

12. **EXECUTIVE SESSION:** ORS 192.660(2) (h) litigation and (2) (f) records exempt by law from disclosure.

Prather decided to call an Executive Session early due to the attendance of the legal counsel conference and finish correspondence after the Executive Session. He left the Regular Meeting at 6:34 P.M. The Executive Session ended at 6:59 P.M. and Prather went back into the Regular Board meeting at 7:00 P.M.

13. **CORRESPONDENCE :**

- A. 2024 Best Practices Program through SDIS.
- B. Letter addressed to NOSD dated May 18, 2024.

14. **There being no further business, Prather adjourned the meeting at 7:02 P.M.** The next meeting will be the Regular Board Meeting on July 18, 2024.

For full details of this Board Meeting, please visit our website at [www.n-o-s-d.com](http://www.n-o-s-d.com)

Respectfully submitted,



John Prather, Board Chairperson  
JP/EM

June 2024 Regular Board Meeting.doc