

**NETARTS-OCEANSIDE SANITARY DISTRICT
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June 18, 2026

REGULAR BOARD OF DIRECTOR'S MEETING

Minutes of the June 18, 2026, 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 5:31 P.M. by Jerry Keene, Secretary. The meeting was held in the NOSD Board Room.

BOARD MEMBERS PRESENT:

Jerry Keene, Secretary
Jim Carlson, Member-At-Large
Jeff McBrayer, Member-At-Large
Simeon Dreyfuss, Treasurer

EMPLOYEES PRESENT:

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

2. Approval of Agenda. **It was a consensus of the Board to approve the Agenda as presented.**
3. **GUESTS: Michael Miller via video.**
4. **PUBLIC COMMENTS: NONE**
5. **BOARD QUESTIONS ; COMMENTS ; DISCUSSION : NONE**
6. The Board reviewed the previously distributed **Minutes** of:
May 21, 2026, Regular Board of Directors meeting Minutes. **Dreyfuss Moved to approve the May 21, 2026, Regular Board meeting Minutes as presented. McBrayer seconded. Motion passed by a vote of 4 to 0.**

7. The Board reviewed the **Financial Statements** for:
- A. **April 30, 2026**, for all Funds. Dan Mello and Erin Mello answered all questions to the Board's satisfaction.
- B. New Financial Document for review and approval. Dan Mello and Erin Mello went over the new Financial Documents for May 31, 2026. **McBrayer Moved to approve the May 31, 2026, Financial Statements as presented. Dreyfuss seconded. Motion passed by a vote of 4 to 0.**

8. May 2026 **Board Audit** for review:

May 2026

General Fund in the amount of:	\$155,206.09
System Development Fund in the amount of:	\$22,095.25
Capital Resource Fund in the amount of:	<u>\$54,178.91</u>
Total	\$231,480.25

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 2026 Discharge Report had no violations.

The average discharge to the Outfall of TSS was 7.25 mg/L and 6.2 mg/L of BOD for the month of May 2026. Our Permit allows 30 mg/L monthly average for each. The Treatment Plant's removal efficiency is 96.9% TSS and 97.8% BOD: the Permit requires a minimum of 85% removal.

Collection System:

Mello stated that the lot at 1600 Portland Ave, in Oceanside has been directed by Tillamook County Public Works Department to remove the retaining walls from the easement. This work has been completed by the property owner's contractor.

Pump Stations:

Mello stated that the Main PS has issues with flow failures on one pump train set that we believe is an electrical issue in the control panel. We have contacted Xylem and TAG to assist with troubleshooting. Mello states that this is an ongoing assessment.

All other pump stations are operating without issues.

Treatment Plant:

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

Capital Improvement Projects:

Mello states that the Lower Avalon PS project is moving forward. Mello is working with the electrical engineer for placement of structures and components.

New Equipment Purchase/Repair Request:

Mello states that Cues has installed the newly upgraded computer in the camera van. Cues is building the custom programs and will notify NOSD to set up a schedule for downloading.

Mello states that TAG is completing the new security cameras installation this week.

Mello states that the district's 2001 one-ton crane truck is in the shop for repairs. One of the fuel tanks have failed and sent debris through the system. The fuel tank, fuel lines, fuel pump and the engines fuel injectors will require replacements. The cost estimate with labor charges is between \$4,000.00 and \$5,000.00. The truck has been in the shop since May 5th and will take at least two more weeks for the repair.

Office Equipment Purchases and Updates:

Mello states that we are looking into updating the office copier. The copier costs will be presented in July.

Personnel:

None

Operations Summary Updated May 12, 2025:

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. The Ocean Highlands pump station had the pump control panel replaced on May 1, 2025.

We have added additional manual transfer switches to the Netarts and Oceanside pump stations for additional power redundancy. The Happy Camp pump station is the last of the functioning Multitrode Control Panels that are now obsolete.

The district should budget or plan approximately \$85k each to upgrade these control panels over the next three to five years. This cost can be addressed by scheduling to change out a single control panel each budget 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 replacement generator was installed on June 23, 2025. 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. The 2025/26 budget currently has \$185,179 in the line item if approved.

In 2024 the district added additional power redundancy to the Oceanside and Netarts Pump stations with the addition of Manual Transfer Switches and a portable generator. If there is a utility power failure and the onsite generator fails at Netarts PS, the portable generator can be plugged in and used until repairs are made. If there is a power transmission line failure or disruption to the Oceanside PS, then the portable generator can be connected to the pump station until the transmission line can be repaired. The district has plans to add these manual transfer switches to all the remaining pump stations.

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 of repair exceeds replacement costs. This is also made more difficult with the increasing unavailability 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 District's 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 predict 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 find the I&I, root intrusion and potential overflow issues so we can schedule repairs. Operator positions are becoming increasingly difficult to fill, due to a larger demand for operators throughout the state. We have filled one open operator position, added, and filled the operator/trainee position in August and September 2022.

10. OLD BUSINESS:

- A. Avalon Pump Station Project: **Discussed in District Report.**
- B. Workshop Update: **July 16, 2026, 4:00 P.M. Keene presented an email conversation for the Board to review for the upcoming meeting in July. There was no discussion at this time.**
- C. Board Duties and Responsibilities Policy Manual: **This matter has been tabled until the July 16, 2026, meeting when all Board members will be present.**

- D. District Facebook page: **Mello states that he has contacted legal counsel and that they will be drafting a document that lists the pros and cons for the district to have a Facebook page. This will be provided to the Board at the July 16th meeting.**

11. NEW BUSINESS:

- A. Resolution 26-02 "List of Delinquent Accounts" to be certified to Tillamook County Assessors' and to be assessed against the tax rolls for the described properties after July 15, 2026, for FY 2026-27 as per ORS 454.225. **Dreyfuss Moved to adopt Resolution 26-02 "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, 2026, for FY 2026-27 per ORS 454.225. Carlson seconded. Motion passed by a vote of 4 to 0.**
- B. Resolution 26-04 "Imposing the Tax". **McBrayer Moved to adopt Resolution 26-04 "Imposing the Tax". Dreyfuss seconded. Motion passed by a vote of 4 to 0.**

Keene asks the Board Members if they are comfortable with approving all documents and having Prather come in and sign afterwards. The Board has agreed to have Prather sign all approved documents on behalf of the Board.

12. CORRESPONDENCE: NONE

13. EXECUTIVE SESSION: NONE

14. **There being no further business, Keene adjourned the meeting at 6:13 P.M.** The next meeting will be the Workshop Meeting and the Regular Board Meeting on July 16, 2026.

For full details of this Board Meeting, please visit our website at www.n-o-s-d.com

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'JK', with a stylized flourish extending from the end.

Jerry Keene, Secretary

JK/EM

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