

**NETARTS-OCEANSIDE SANITARY DISTRICT
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August 20, 2026

REGULAR BOARD OF DIRECTOR'S MEETING

Minutes of the August 20, 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 5:30 P.M. by John Prather, Board Chairperson. The meeting was held in the NOSD Board Room.

BOARD MEMBERS PRESENT:

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

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
Shawn Parker, Operator

2. Approval of Agenda. **It was a consensus of the Board to approve the Agenda as amended.**
3. **GUESTS:**
Diana Thompson
Amber Ybarra
4. **PUBLIC COMMENTS:** Amber Ybarra presents her email proposal asking for a payment plan for the System Development Charge for 4890 Netarts Hwy. After a brief discussion the Board has informed both her and Diana Thompson that they cannot make a decision on this matter since neither of them are legal property owners.

5. **BOARD QUESTIONS ; COMMENTS ; DISCUSSION : NONE**

6. The Board reviewed the previously distributed **Minutes** of:

July 16, 2026, Regular Board of Directors meeting Minutes.

Keene Moved to approve the July 16, 2026, Regular Board of Directors meeting Minutes as presented. Carlson seconded. Motion passed by a vote of 4 to 0.

McBrayer was not present at the July meeting; therefore, he did not vote on this matter.

7. The Board reviewed the **Financial Statements** for:

A. **June 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 July 31, 2026. **Keene Moved to approve the July 31, 2026, Financial Statements as presented. Dreyfuss seconded. Motion passed by a vote of 5 to 0.**

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

July 2026

General Fund in the amount of:	\$173,013.19
System Development Fund in the amount of:	\$3,938.00
Capital Resource Fund in the amount of:	\$6,785.75
Debt Service Fund in the amount of:	<u>\$119,508.00</u>
Total	\$303,244.94

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.

July 2026 Discharge Report had no violations.

The average discharge to the Outfall of TSS was 1.0 mg/L and 5.29 mg/L of BOD for the month of July 2026. Our Permit allows 30 mg/L monthly average for each. The Treatment Plant's removal efficiency is 99.5% TSS and 98.2% BOD: the Permit requires a minimum of 85% removal.

Collection System:

Mello stated that the district is planning to jet clean on 5th St. Loop and Pearl St. with video inspection. Zwald is scheduled for the second or third week of September to remove grease from the wet wells and clean the sewer lines in Netarts.

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. Dave Olson and an engineer from Xylem will be here August 20, 2026, to assess the issue with pump set one and the control panel for the possible cause of the flow fails. **Mello stated that Dave and the engineer from Xylem made some adjustments. We will have to see what those adjustments do. They will continue doing research in the meantime.**

Mello states that the Main PS generator battery charger has failed and we will have Cummins replace it when we have the Netarts PS generator serviced.

All other pump stations are operating without issues.

Treatment Plant:

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

Mello stated that there are two electrical vaults here on the Treatment Plant property that are collapsing. Underground Tech said they can make the repair to seal it using the same products and procedures as used in manhole repair.

Capital Improvement Projects:

Mello states that the Lower Avalon PS project needs to have additional geotechnical work completed before structural engineer's can finish design. This will be required before we can get any building permits. The surveyor's schedule is to come this week to mark the lot lines. Next, we will have the lots cleared of brush so the drillers can get onsite for the work. See attached correspondence from Westech. **Dreyfuss Moved to approve the new Geotechnical Proposal from Westech Engineering in the amount of \$43,000. McBrayer seconded. Motion passed by a vote of 5 to 0.**

New Equipment Purchase/Repair Request:

Mello states that Cues, CenterLogic and NOSD have set up the software here at the office building. The next step is registration of the software and then training.

Mello states that the district's 2017 F550 crane truck has had the generator/welder mounted to the toolbox bed at Nelson Truck. The crane needs the wireless controller replaced on this truck to properly operate the crane. Please see attached quote. **Dreyfuss Moved to approve the Nelson Truck quote in the amount of \$5,695.73. Carlson seconded. Motion passed by a vote of 5 to 0.**

Mello states that we are having a two-way radio and emergency lighting installed here by the end of August. The work has begun but the contractor is waiting for additional parts.

Office Equipment Purchases and Updates:

None

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: **Prather stated that we held our Workshop Meeting today August 20, 2026, at 4:00 P.M.**
- C. Board Duties and Responsibilities Policy Manual: **McBrayer Moved to approve the Board Duties and Responsibilities Policy Manual for the Netarts-Oceanside Sanitary District as presented. Dreyfuss seconded. Motion passed by a vote of 5 to 0. The Board has decided that Carlson will be the Vice Chairperson.**
- D. District Facebook page: **After a brief discussion the Board has decided to not proceed with the District Facebook and remove this item from the Agenda.**
- E. Kyocera Copy Machine: **McBrayer Moved to approve the Solutions YES Lease Agreement for the Kyocera Copy Machine as presented. Dreyfuss seconded. Motion passed by a vote of 5 to 0.**

11. **NEW BUSINESS:** Resolution 26-05 "Resolution Establishing a Level of Significance for Accounting Changes & Error Corrections in Accordance with GASB Statement No.103"
McBrayer Moved to approve Resolution 26-05 "Resolution Establishing a Level of Significance for Accounting Changes & Error Corrections in Accordance with GASB Statement No. 103". Keene seconded. Motion passed by a vote of 5 to 0.

12. CORRESPONDENCE:

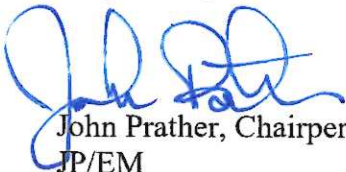
- A. Email Proposal from Diana Thompson & Amber Ybarra regarding relief from SCD for property located at 4890 Netarts Hwy. **Discussed during Public Comments.**
- B. Email from the Netarts Oceanside Rural Fire Protection District dated August 17, 2026. **The Board has decided to leave this decision up to Dan Mello.**

13. EXECUTIVE SESSION: NONE

14. **There being no further business, Prather adjourned the meeting at 6:55 P.M.** The next meeting will be the Regular Board Meeting on September 17, 2026.

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

Respectfully submitted,



John Prather, Chairperson

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August 2026 Regular Board Meeting.doc