

**NETARTS-OCEANSIDE SANITARY DISTRICT
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July 16, 2026

REGULAR BOARD OF DIRECTOR'S MEETING

Minutes of the July 16, 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

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
Shawn Parker, Operator

2. Approval of Agenda. **It was a consensus of the Board to approve the Agenda as presented.**

3. **GUESTS:**

**Michael Miller via video
Diana Thompson
Amber Ybarra
Dorece Gould
Unknown guest with Dorece Gould**

4. **PUBLIC COMMENTS:** At this time Amber Ybarra asks the Board if they would consider them making payments towards their System Development Charge for property 4890 Netarts Hwy. Prather asks Ybarra to write a written request for the Board to review. If the Board receives the written request by the August Board meeting a discussion will be held at that time.

5. **BOARD QUESTIONS ; COMMENTS ; DISCUSSION :** At this time Prather states that McBrayer has rescinded his complaint against Dan Mello, District Superintendent of NOSD. Currently McBrayer and Mello are discussing the financials for the invoice. Prather hopes to have this resolved for the August 20, 2026, meeting.

Dreyfuss brings to the Boards attention that a discussion should be had in the future regarding AI and district's policies.

6. The Board reviewed the previously distributed **Minutes** of:
June 18, 2026, Budget Hearing meeting Minutes & Regular Board of Directors meeting Minutes. **Dreyfuss Moved to approve the June 18, 2026, Budget Hearing meeting Minutes & Regular Board of Directors meeting Minutes as presented. Carlson seconded. Motion passed by a vote of 3 to 0. Prather was not present at the June meeting; therefore, he did not vote on this matter.**
7. The Board reviewed the **Financial Statements** for:
A. **May 31, 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 June 30, 2026. **Keene Moved to approve the June 30, 2026, Financial Statements as presented. Dreyfuss seconded. Motion passed by a vote of 4 to 0.**
8. June 2026 **Board Audit** for review:

June 2026

General Fund in the amount of:	\$132,315.82
System Development Fund in the amount of:	\$9,222.00
Capital Resource Fund in the amount of:	<u>\$49,486.00</u>
Total	\$191,023.82

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.

June 2026 Discharge Report had no violations.

The average discharge to the Outfall of TSS was 6.7 mg/L and 10.4 mg/L of BOD for the month of June 2026. Our Permit allows 30 mg/L monthly average for each. The Treatment Plant's removal efficiency is 97.8% TSS and 95.3% 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. Mello also states that he is starting the I&I work for the summer.

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.

Mello states that the new replacement pump for the effluent pump station has been received and installed.

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. Mello has contacted engineers to discuss what options are available for repairing them. We discussed using Underground Tech to see if they use the same products and procedures as used in manhole repair. We contacted Underground Tech and they will come to inspect the vaults to verify if they can make the repairs.

Capital Improvement Projects:

Mello states that the Lower Avalon PS project is moving forward. The electrical engineers have finished placement of structures and components. The next phase will be the gravity line design and acquiring the necessary easements through tax lots. **Mello states that a new law came into effect and we may have to drill deeper Geotech borings than expected. Mello has a conference with Engineers to discuss.**

New Equipment Purchase/Repair Request:

Mello states that Cues, CenterLogic and NOSD are working on a time to set up the software here at the office building.

Mello states that the district's 2001 one-ton crane truck is repaired and back in service.

Mello states that the district's 2017 F550 crane truck has been taken to Nelson Truck in Portland to have the generator/welder mounted the toolbox bed. We are having a two-radio and emergency lighting installed here by the end of July.

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: **The workshop Meeting was postponed until August.**
- C. Board Duties and Responsibilities Policy Manual: **This matter has been tabled.**
- D. District Facebook page: **This matter has been tabled.**

11. NEW BUSINESS: Kyocera Copy Machine: The Board has decided to move forward. Erin Mello will have Solutions Yes draft the contract for the official approval at the August 20, 2026, meeting.

12. CORRESPONDENCE: NONE

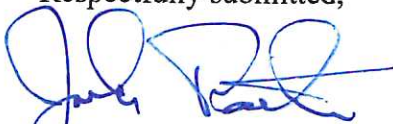
13. **EXECUTIVE SESSION:** ORS 192.660 (2) (f) to consider exempt by law from public disclosure under 192.355 (9) and ORS 40.225 attorney client communications
ORS 192.660 (2) (h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Executive Session has been cancelled.

14. **There being no further business, Prather adjourned the meeting at 6:26 P.M.** The next meeting will be the Workshop Meeting and the Regular Board Meeting on August 20, 2026.

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

Respectfully submitted,



John Prather, Chairperson

JP/EM

July 2026 Regular Board Meeting.doc