

NETARTS-OCEANSIDE SANITARY DISTRICT  
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June 15, 2023

**FY 2023-24 BUDGET HEARING MEETING TO ADOPT THE BUDGET.**

**Budget Committee Members Present:**

John Prather, Board Chairperson  
Jim Carlson, Member-at-Large  
Jerry Keene, Budget Officer  
Simeon Dreyfuss, Member-at-Large  
Elizabeth Wipperman, Secretary

1. The Budget Committee Meeting to Adopt the FY 2023-24 Budget was called to order at 5:32 P.M., by John Prather.
2. The Board reviewed the previously distributed **Budget Minutes** of:  
May 18, 2023, FY 2023-24 Budget Committee Meeting.  
**Keene Moved to approve the May 18, 2023, FY 2023-24 Budget Committee Meeting Minutes as presented. Carlson seconded. Motion passed by a vote of 5 to 0.**
3. Budget Officer, Jerry Keene presents the FY 2023-24 Budget for Review and Adoption.  
**Keene Moved to Adopt the FY 2023-24 Budget as presented. Wipperman seconded. Motion passed by a vote of 5 to 0.**
4. Resolution 23-01 “Resolution Adopting the Budget” for FY 2023-24. **Keene Moved to adopt Resolution 23-01 “Resolution Adopting the Budget” for FY 2023-24. Wipperman seconded. Motion passed by a vote of 5 to 0.**
5. There being no further discussion on the FY 2023-24 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 15, 2023, 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, Member-At-Large  
Simeon Dreyfuss, Member-At-Large  
Elizabeth Wipperman, Secretary

**EMPLOYEES PRESENT:**  
Daniel Mello, District Superintendent  
Erin Mello, Ass't Office Manager  
Brian Mello, Lead Operator  
Tyler Hotchkiss, Ass't Lead Operator  
Leancon Loving, 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**

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

- 6. The Board reviewed the previously distributed **Minutes** of:  
May 18, 2023, Regular Board Meeting.  
**Dreyfuss Moved to approve the May 18, 2023, Regular Board meeting Minutes as presented. Keene seconded. Motion passed by a vote of 5 to 0.**

- 7. The Board reviewed the **Financial Statements** for:  
**May 31, 2023**, for all Funds. Dan Mello and Erin Mello answered all questions to the Board's satisfaction. **Wipperman Moved to approve the May 31, 2023 Financial Statements as presented. Dreyfuss seconded. Motion passed by a vote of 5 to 0.**

- 8. May 2023 **Board Audit** for review:

**May 2023**

General Fund in the amount of:	\$131,055.75
System Development Fund in the amount of:	\$ 152.00
Capital Resource Fund in the amount of:	<u>\$ 1,368.60</u>
Total	\$132,576.35

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 2023 Discharge Report had no violations.

The average discharge to the Outfall of TSS was 3.0mg/L and 3.0mg/L of BOD for the month of May 2023. Our permit allows 30mg/L monthly average for each. The Treatment Plant's removal efficiency is 99% TSS and 99% BOD; the permit is a minimum of 85% removal.

**Collection System:**

Mello stated that there is no scheduled collection work for June 2023.

**Pump Stations:**

Mello stated that Capes #1 pump station has a leak in the discharge piping for pump #2. This is the piping that was installed in 1993, when the pump station was first constructed. I have contacted Westech Engineering for options to make this repair.

Mello also stated that the Plant pump station had a pump failure. We sent it in for repair, but found that the repair cost was nearly the same as replacing the pump with a new pump that is more energy efficient and has a five-year warranty instead of a one-year with a rebuilt pump. Attached are the quotes of a new pump in the amount of \$9,989.00 and rebuilding the old pump is \$9,473.00.

All other pump stations are operating without issues.

**Treatment Plant:**

Mello reported that basin #1 had a failure of the automatic air valve. This air valve is a critical part to the operation of that basin and its ability to treat the sewer. The replacement valves have been ordered and are scheduled to ship from Germany by August 25, 2023. Update: The ship date has been moved up to July 7, 2023. Mello also stated that blower #3 was sent for inspection to repair. Mello said that he will have the blower rebuilt after our new budget starts in July. Attached is the quote from Granich Engineered Products, Inc. in the amount of \$6,132.40.

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

Mello reported that it is getting close for our NPDES permit renewal and that he has been contacted by the permit writers with DEQ and put on notice that they will be requesting us to test and run samples on the Pacific Ocean. After a lengthy discussion Mello stated that he has sent a series of questions to the permit writer and is still waiting for a response as well as a draft of the testing criteria.

**Capital Improvement Projects:**

Mello stated that he has contacted Westech Engineering regarding the portable emergency generator and manual transfer switch improvements for the Oceanside pump station project. Westech has not received the cost estimate for the additional manual transfer switch as of June 12, 2023, as they are still waiting for the electrical engineers to complete the design.



Mello reported that he has also contacted Westech Engineering for an update on the survey work to identify a lot that is suitable for a future pump station to serve the lower Avalon area. Mello will update the Board at the meeting if he gets the update by then. **Mello stated that he has been informed that the survey dates are Monday 26<sup>th</sup> through Thursday 29<sup>th</sup>.**

**New Equipment Purchase/Repair Request:**

Mello stated that the ocean outfall was inspected by Advanced American Construction on June 8, 2023. The outfall has no issues and passes inspection.

Mello also stated that Springbrook has got back to us regarding putting a donation button on our website for customers to donate to the Low Income Assistance Program. Springbrook does not have this option available. However, they have directed us to a third party vendor that works with our software. We received the quote and it's expensive. Mello stated that it's just not feasible. **After a brief discussion the Board has asked for us to continue to look into other options including SDAO so that customers can donate using their credit cards. Also, something needs to be put on our website stating that we except donations and that we offer a Low Income Assistance Program.**

**Office Equipment Purchases and Updates:**

None

**Personnel:**

None

**Operations Summary:**

The District's Treatment Plant has been in operation for nine plus years and is now requiring continual attention. 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. The Happy Camp and Ocean Highlands 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 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, the 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 unavailability and long wait times to receive parts. We are facing on average of 5 to 7 weeks and as much as 14-17 weeks for parts and repair 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 will need to increase that to approximately \$60K and add 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 and added an additional operator/trainee position this past August.

**10. OLD BUSINESS:**

- A. Resolution 23-03 “A Resolution establishing a new Fund called Low Income Assistance Program Fund.” **Dreyfuss Moved to adopt Resolution 23-03 “A Resolution establishing a new Fund called Low Income Assistance Program Fund.” Carlson seconded. Motion passed by a vote of 5 to 0.**
- B. Resolution 23-04 “A Resolution establishing a newly revised program called “The Low Income Assistance Program.” **Dreyfuss Moved to adopt Resolution 23-04 “A Resolution establishing a newly revised program called “The Low Income Assistance Program.” Wiperman seconded. Motion passed by a vote of 5 to 0.**

**11. NEW BUSINESS:**

- A. Resolution 23-01A “Imposing the Tax” **Keene Moved to adopt Resolution 23-01A “Imposing The Tax,” subject to any changes from the current amount of \$29,667.98. Carlson seconded. Motion passed by a vote of 5 to 0. Prather and Keene will come into the office to sign Resolution 23-01A after the office staff has processed the delinquent accounts to collections with a final total.**
- B. Resolution 23-02 “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, 2023, for FY 2023-24 as per ORS 454.225. It was stated that this total of \$29,667.98 is subject to change, as more of the Customers will pay. **Wiperman Moved to adopt Resolution 23-02 “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, 2023, for FY 2023-24 per ORS 454.225, subject to any changes Carlson seconded. Motion passed by a vote of 5 to 0. Prather and Keene will come into the office to sign Resolution 23-02 after the office staff has processed the delinquent accounts to collections with a final total.**
- C. 1<sup>st</sup> Reading of Ordinance 23-01 “An Ordinance establishing a Sanitary Sewer User Fee Increase effective July 1, 2023, and declaring an emergency.” At this time Prather did the 1<sup>st</sup> reading of Ordinance 23-01. The 2<sup>nd</sup> reading of Ordinance 23-01 will be at a Special Board of Directors meeting, which will be held on June 22, 2023 at 5:30 P.M.

12. **CORRESPONDENCE:** A. 2023 Best Practices Program through SDIS:

B. Letter from Tillamook County Re: Official abstract of votes for the May 16, 2023 Special Election.

13. **EXECUTIVE SESSION: None Held**

14. **There being no further business, Prather adjourned the meeting at 6:30 P.M.** The next meeting will be the Regular Board Meeting on July 20, 2023.

**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,



Jerry Keene/Treasurer

JK/EM

June 2023 Regular Board Meeting.doc