

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

February 19, 2026

REGULAR BOARD OF DIRECTOR'S MEETING

Minutes of the February 19, 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 5:29 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
Jeff McBrayer, Member-At-Large
Simeon Dreyfuss, Secretary

EMPLOYEES PRESENT:

Daniel Mello, District Superintendent
Erin Mello, Office Manager
Brian Mello, Lead Operator
LeeAnn McNutt, Office Specialist
Ramen Pyatt, Operator/Trainee
Leancon Loving, Operator
Nick Reneau, Operator
Jacey Pyatt, Assistant Office Manager

2. Approval of Agenda. **It was a consensus of the Board to approve the Agenda as presented.**
3. **GUESTS: Michael (unverified) via video.**
4. **PUBLIC COMMENTS: NONE**
5. **BOARD QUESTIONS ; COMMENTS ; DISCUSSION : NONE**
6. The Board reviewed the previously distributed **Minutes** of:
January 15, 2026, Regular Board of Directors' Meeting.
Keene Moved to approve the January 15, 2026, Regular Board of Directors' meeting Minutes as presented. Dreyfuss seconded. Motion passed by a vote of 4 to 0.

- 7. The Board reviewed the **Financial Statements** for:
 - A. **December 31, 2025**, for all Funds. Dan Mello and Erin Mello answered all questions to the Board’s satisfaction.
 - B. New Financial Documents for review and approval. Dan Mello and Erin Mello went over the new Financial Documents for January 31, 2026. **Dreyfuss Moved to approve the January 31, 2026, Financial Statements as presented. Carlson seconded. Motion passed by a vote of 4 to 0.**

- 8. January 2026 **Board Audit** for review:

January 2026

General Fund in the amount of:	\$186,806.73
System Development Fund in the amount of:	\$12,337.88
Capital Resource Fund in the amount of:	\$28,617.70
Debt Service Fund in the amount of:	<u>\$598,951.00</u>
Total	\$826,713.31

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.

January 2026 Discharge Report had no violations.

The average discharge to the Outfall of TSS was 3.0 mg/L and 4.4 mg/L of BOD for the month of January 2026. Our Permit allows 30 mg/L monthly average for each. The Treatment Plant’s removal efficiency is 98.0% TSS and 97.3% BOD: the Permit requires a minimum of 85% removal.

Collection System:

Mello states that Bayside Surveying said they will not be onsite until the weather conditions improve before they survey tax lot 300.

Mello states that he has informed the district’s legal counsel to incorporate the information that NWD has requested into the Draft IGA for the board’s review. **Mello states that our legal counsel has sent a second email to NWD and is waiting for a response.**

McBrayer arrived to the meeting at 5:53 P.M.

Mello states that it has come to the district's attention that Tillamook County had vacated a right of way off 4th street back in the 1980's. NOSD has no record of being contacted prior to the vacation. The district has a public sewer line serving four tax lots with no recorded easement. Mello has sent the information to legal counsel for next step options. We are working with Tillamook County Public Works to get the background on the vacation and if there were any reservation language for easement rights. Attached is the surveyor's map. **After a lengthy discussion the Board has gone over several scenarios to proceed but needs more information from Tillamook County. This topic has been tabled until further information has been gathered and presented. This topic will be added to the March 19, 2026, Agenda for further discussion.**

Mello states that the lot at 1600 Portland Ave in Oceanside has encroached on the NOSD utility easement. They have built steel and concrete walls and are filled with soil and landscaping that covers the sewer and storm drain piping. This was done by the property owner and their contractor without written permission from the Tillamook County Public Works Department and NOSD. Attached is a drawing submitted by the contractor. **Mello states that Tillamook County's final decision is to have the property owners remove the walls and landscaping that cover the sewer and storm drain. Mello recommends that NOSD back the County's decision. Keene Moved to approve Mello contacting the County and expressing that we are in alignment with them to proceed with having the property owners remove the structures at the owner's expense as well as having the County include NOSD with any meetings and correspondence so that we can be a party to any further decisions to get this resolved. Dreyfuss seconded. Motion passed by a vote of 5 to 0.**

Mello states that Cougar Ridge Development has submitted drawings to NOSD and Westech for review of their planned phase 2 and 3 sewers for expansion to the remaining lots.

Pump Stations:

Mello states 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. Mello has contacted Xylem to assist with troubleshooting. Mello states that this is an ongoing assessment. **Mello states that we had a failure on one pump train today. A soft start failed. The Automation Group will be onsite tomorrow. Mello also states that they are unaware if this is an old issue or something new yet. Mello believes that the timeframe for the Pump Station to be fully up and operational will be less than two weeks.**

Mello states that the Capes two pump station generator transfer switch has been repaired.

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 pre-design was approved by DEQ to move into final pre-design. The final pre-design was submitted to DEQ on 11/3/2025. There has been no response from DEQ as of February 17, 2026.

Mello states that TAG has completed the evaluation of the NOSD SCADA system. Mello received the report on February 2, 2026, and is in the process of reviewing it.

New Equipment Purchase/Repair Request:

Mello states that NCC Controls Company has completed the new HVAC installation project for the office. Attached is a contract for annual maintenance. Mello recommends that we approve the annual contract for the first year and we can monitor what our needs are. After that year contract we can evaluate what would work best for us in the future. **Dreyfuss Moved to approve the NCC Controls Company annual maintenance contract in the amount of \$6,916.00 for the first year of operation. Carlson seconded. Motion passed by a vote of 5 to 0.**

Office Equipment Purchases and Updates:

Mello states that we will be needing to order a new copier for the office since ours no longer has parts available. We are still waiting for Solutions Yes to provide some quotes for us to go over for the upcoming budget year.

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 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 estimated schedule to install the replacement generator is in June 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 has 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 future 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 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 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 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: **Discussed in District Report.**

B. Workshop Update: **Prather states that our next Workshop Meeting is scheduled for March 19, 2026. We will also be adding Emergency Planning to the Agenda. Prather would like each Board Member to come up with one emergency planning item and provide it to Erin Mello by Friday March 13, 2026, so that it can be added to the agenda.**

C. NOSD/NWD IGA Draft: **Discussed in District Report.**

D. SDC/ADU Memorandum regarding the meeting with John Prather & Sarah Absher, County Community Development Director on February 11, 2026. **After a brief discussion the Board has decided that Prather can notify Sarah Absher that they currently don't have any problems waiting to see in writing what the County's final verbiage is to proceed.**

11. **NEW BUSINESS:** Budget Committee Community Members. **Prather states that we need five Community Budget Members for Fy 2026-27 and currently we have Sue Miller and Craig Child. Prather would also like to see if Carlson and McBrayer could find a couple members from Netarts to attend.**

12. **CORRESPONDENCE:** Board Members Public Meeting Law Online Training. **Prather states that every Board Member needs to complete the Public Meeting Law Training every term. McBrayer, Keene and Dreyfuss will need to complete this training before their four-year ends. Erin Mello will send the link and instructions for them to complete.**

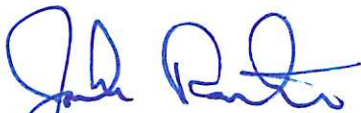
Prather and Mello stated that after attending the 2026 SDAO Annual Conference there were several items that they would like the Board to be made aware of. They will come up with a list to add to the March 19, 2026, Agenda.

13. **EXCUTIVE SESSION: NONE**

14. **There being no further business, Prather adjourned the meeting at 7:05 P.M.** The next meeting will be the Regular Board Meeting on March 19, 2026.

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

Respectfully submitted,



John Prather, Board Chairperson

JP/EM

February 2026 Regular Board Meeting.doc