FAIRVIEW WATER DISTRICT
BOARD OF COMMISSIONERS MEETING MINUTES

Regular Session | July 30, 2026 | 5:00 PM
Tillamook Swiss Hall, 4605 Brookfield Avenue, Tillamook, Oregon

1. CALL TO ORDER

Board Chair John Casteel called the meeting to order at 5:06 PM.

2. ROLL CALL

a) Board Members Present: John Casteel, Gary Bond, James Huffman

b) Board Members Absent: Boyd Rulifson

c) Staff Present: General Manager Michael Ostensen, Office Manager Melissa Rondeau

d) Visitors Present: Mark Sybouts, Doug Barker, Jacob Lafferty, Larry Anderson, Don Aufdermauer, Rick Steel, Matt Mumford, Ryan Kilgore, Michael Tohl, Jerry Dove, Richard Obrist, Dan Leuthold, Michael Lummus, Denis Schmitz, Luke Oldenkamp

3. APPROVAL OF MINUTES

Commissioner Huffman expressed concern that the June 25, 2026 regular Board meeting minutes did not include the complete statement read aloud by Josh Henderson during Public Comment. Huffman requested that the statement be included verbatim.

During the discussion, Commissioner Huffman requested that legal counsel be present during the planned executive session and that the executive session be postponed to a future meeting if Counsel is unable to attend.

> ***Motion*** *by Gary Bond and seconded by John Casteel to approve the June 25, 2026 regular Board meeting minutes as presented.*
>
> *Vote: Aye: Casteel, Bond*
> *Nay: Huffman*
> *Abstain: None*
> *Absent: Rulifson*
> ***Motion failed 2-1***

4. BOARD VACANCY - BOARD POSITION 2

The Board considered applications to fill the vacant Board position. Applicants Doug Barker and Mark Sybouts were present at the beginning of the discussion. Adam Nielsen arrived at approximately 5:20 PM.

Chair Casteel reviewed the responsibilities of a Board member, applicable laws, and available training opportunities. Richard Obrist asked about reimbursement for attendance at out-of-town training, and Casteel explained the reimbursement process.

Commissioner Huffman stated that the District had previously provided Board members with a $50 monthly stipend, which the Board discontinued in 2023 over ethics concerns. Commissioner Huffman stated that Special Districts Association of Oregon (SDAO) allows such stipends and expressed interest in exploring whether an exception might apply.

The applicants were invited to address the Board.

Mark Sybouts shared that he had lived in the community for many years, is a retired CPA, has a background in finance, has served on budget committees at the District and elsewhere, and previously worked as a school district business manager.

Doug Barker spoke about his family's experience running the former Wilson River Water District, that he serves on the board of the Tillamook County Creamery Association, and that he is a dairy farmer. Barker stated that agricultural customers represent a substantial portion of District water use and that he wanted agricultural interests represented on the Board.

Adam Nielsen stated that he is a licensed professional engineer in Oregon with approximately ten years of experience in water resources and currently works for the City of Tillamook. Nielsen discussed his experience with grant funding and expressed his interest in helping the District find outside funding and plan for long-term future needs.

Members of the public also communicated with the applicants and had several comments. Jerry Dove stated that agricultural customers are among the District's largest water users and expressed support for agricultural representation on the Board. Richard Obrist mentioned that he had worked with Barker through the dairy industry and expressed concern about a possible conflict of interest due to Nielsen's employment with the City of Tillamook.

Additional discussion included District spending, the recent rate study, grant opportunities, infrastructure needs, proposed rate increases, and whether the applicants planned to continue serving beyond the remainder of the current term.

> ***Motion*** *by James Huffman to appoint Doug Barker to Board Position 2.*
>
> ***There was no second, and the motion died for lack thereof.***
>
> ***Motion*** *by Gary Bond and seconded by John Casteel to appoint Mark Sybouts to Board Position 2.*
>
> *Vote: Aye: Casteel, Bond*
> *Nay: Huffman*
> *Abstain: None*
> *Absent: Rulifson*

The Board treated the motion as approved, and Mark Sybouts subsequently participated in the meeting as a member of the Board. The appointment was later determined not to have been valid.

Commissioner Huffman stated that he was considering leaving the meeting.

Chair Casteel administered an oath of office to Mark Sybouts at approximately 5:45 PM.

5. **PUBLIC COMMENT** (on Non-Agenda Items)

   a) Matt Mumford addressed the Board regarding the proposed water rate increase and expressed concern about the financial impact on District customers, particularly agricultural users.
   b) Jerry Dove thanked General Manager Ostensen for repairing a leak and raised concern about a pipe protruding from the ground near an area marked by traffic cones. Ostensen discussed the condition of the pipe and the need for repair.

Commissioner Huffman left the meeting at approximately 5:50 PM, resulting in the loss of a quorum. With no quorum present, the Board could conduct no further business, and the official minutes conclude at this point.

No formal adjournment occurred.

FAIRVIEW WATER DISTRICT

403 Marolf Loop Road
Tillamook, OR 97141

(503) 842-4333
www.fairviewwater.com

GENERAL MANAGER'S REPORT
JULY 30, 2026 - Board of Commissioner's Meeting

What a busy and productive month we've had. Dozens of leaks have been repaired or replaced, while Melissa has continued to keep the administrative work moving while I've been in the field. Stephany's backflow program is also progressing, and we remain on track for full implementation in September as planned.

Due to the sheer volume of activity this month, this report focuses primarily on current leak conditions rather than on every project completed. Since the beginning of June, we've fixed 11 leaks. Two new leaks have recently been identified, and one previously suspicious wet area was confirmed and repaired as part of the above-mentioned 11. The two newly identified leaks appear to have been present for some time and have now become increasingly apparent. At the time of this report, I count 10 active leaks.

CURRENT LEAKS

1) **Aldercrest/Juniper Loop**

   Leak was excavated and identified as irreparable. Replacement of the intersection is necessary to stop the leak. Approximate current leak rate: <1GPM (Gallons Per Minute).

2) **Donaldson Rd., North of HWY 6 - new**

   A leak was discovered on 7/21/2026 by Taylor Aufdermauer and I was notified the same day. On 7/22/2026 I investigated and discovered a 2-inch line about 12-inches down leaking in the ditch next to the highway. Approximate leak rate: <5GPM. I will schedule a time with Taylor to excavate and attempt repair of the leak.

3) **3rd St., Near Circle Dr., Located in Private Driveway- new**

   Leak was excavated and identified as irreparable while energized. Leak is currently isolable with depressurization of about 70 homes and plans are being made to do just that. Due to the need to shut down so much of the system, I would like to replace all of the pipe transiting under 3rd St. as well as a section of the 10-inch mainline. This job would look very similar to the one completed in front of the Tillamook County Fairgrounds last year. Approximate leak rate: <5GPM.

4) **Circle Dr., Near 3rd St., Located on Property Line of Several Backyards**

   The leak requires excavation and inspection to develop a plan. With the onset of the dry season, more thought will be put towards this leak as ground water intrusion becomes less of a problem.

5) **Trask River Rd., From Hollyridge Dr. to Cedar Crest Dr.**

   Line replacement is needed throughout this segment. Due to the challenges of length and placement, additional planning and technical evaluation by staff will be required. Contracted services, additional equipment, and extra safety measures will be necessary.

6) **Fairview Rd., South of Randall Corner Rd.**

Suspected leak appeared near sample station on Fairview Rd. Likely cause is flange leakage like we had before, will be vac trailering to inspect. Possible solution is replacement of stainless fasteners with hardened fasteners. Last time bolt stress due to pipe deflection caused the bolts to stretch to the point the flange began to leak a little. Approx. leak rate <2GPM

7) **Myers Ct., Located on Private Property**

A small pinhole has developed in the mainline.

8) **Marvin Ln., Near Myers Ct.**

I have received a quote from Advanced Excavation Inc. for replacement of the main line at this location. Due to the risk associated with this section of line, this will be a large project requiring thorough planning.

9) **Valley View Dr. Standpipe**

A standpipe leak has been identified in the elbow below ground. Water is flowing into a drainage ditch. This repair will be included in the next round of work with contractors when they are available.

COMPLETED ON JULY 23, 2026
Michael Ostensen – General Manager

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Office Manager's Report for July 30, 2026

You'll notice some new letterhead on District documents beginning this month. Fairview Water District has been serving the community since at least 1919; a full 107 years of service! I have been sorting through both historic and current District records, and I decided it was time to incorporate more of the District's history into our letterhead and document headers. Michael and I are happy with the results and look forward to continuing to introduce new ideas while honoring the District's long history.

I am increasingly finding it difficult to complete all of the recurring monthly tasks assigned to the office while also keeping pace with the additional workload associated with the improvements staff are making throughout the District and requests from the Board. As a result, I am reviewing administrative processes to identify areas that can be streamlined without reducing the quality of work being produced.

One such item is the monthly Delinquent Accounts Report. The current report requires substantial manual preparation because the District's billing software does not reliably calculate past-due amounts when an account has a prior credit balance. To provide the information in its current format, I must manually review and compile individual account totals each month. I am asking the Board to consider discontinuing the separate listing of individual accounts and instead allow me the liberty to provide the total number of past-due accounts, the total amount outstanding, and general information regarding the current status of delinquent accounts within my Office Manager's report each month. This would continue to provide the Board with information while significantly reducing the administrative time required to prepare the report. However, if the Board prefers the existing format, I will continue to provide it as directed.

Regarding executive session minutes; you will notice that they have not been included in your packet. Executive session minutes can only be reviewed and approved in executive session. Because these records are restricted and require controlled access, they will remain on file at the office instead of being included in your packets. Any member of the Board wishing to review these minutes can do so at the office during regular business hours when staff are available.

The audit is still progressing. I have received no indication that there are concerns with the audit itself, although I am aware that SingerLewak has implemented a new system, and that may have delayed things a bit. Some of you may receive documents or questionnaires directly from the auditor. I hope that you will all take the time to fill them out promptly and accurately so that we can continue moving forward.

Lastly, I would like to continue working with the Board on the review and development of District policies. I appreciate the time and effort Board members have devoted to this work. As we continue, I believe it will be helpful to keep our focus on developing policies that provide clear governance and direction while remaining practical for staff to administer. Policies are most effective when the Board's objectives are clear and staff can administer them consistently in day-to-day operations. While tricky at times, maintaining that balance is incredibly important for those who occupy our places in the future.