

**FAIRVIEW WATER DISTRICT  
BOARD OF COMMISSIONERS MEETING  
MARCH 27, 2025**

A regular meeting of the Fairview Water District Board of Commissioners was held at the  
Swiss Hall at 4605 Brookfield Avenue in Tillamook, Oregon at 5:00 PM.

**A. Call to Order**

- I. Board Chair John Casteel called the meeting to order at 4:59 PM.

**B. Roll Call**

- I. Board Members Present
  - a) John Casteel
  - b) Boyd Rulifson
  - c) Gary Bond
  - d) Dustin Burdick (arrived at 6:02 PM)
- II. Board Members Absent
  - a) No Board members were absent.
- III. Visitors Present
  - a) No visitors were present.
- IV. Staff Present
  - a) Michael Ostensen, General Manager
  - b) Melissa Rondeau, Office Manager

**C. Approval of February 2025 Board Meeting Minutes**

- I. *Motion by Gary Bond and seconded by Boyd Rulifson to approve the minutes of the February 27, 2025 Fairview Water District Board of Commissioners Meeting.*
  - a) *Motion passed 3-0.*

**D. Visitor Propositions**

- I. There were no visitor propositions.

**E. Financial Report**

- I. Office Manager's Report
  - a) Melissa Rondeau presented her report to the Board:
    - i. Joe Cassidy of Singer Lewak is set to visit the district office in order to finalize the fiscal year 2023-2024 audit during the week of April 7, 2025.
    - ii. Communication has been initiated with County Commissioner and County Fairgrounds Liaison Mary Faith Bell in an attempt to come to a solution regarding the breakdown of communication between the Fairgrounds and the District on the proposed water line easement across the Fairgrounds parking area.
    - iii. Hunt Water District voted on March 17, 2025 to merge their district into Fairview Water District. Staff have begun to research the process of a merger in anticipation of an acceptance vote by Fairview Water District.

- II. Approval of the February 2025 Bills
  - a) Inquiry by John Casteel about the recurring charge from Bay City that pertains to the Wilson River/Bay City intertie. Discussion was held regarding the district's need for the intertie and whether it would be in our best interest to keep or remove it. Staff will examine the district's options over the course of the next few months and advise the Board of their findings.
  - b) *Motion by Gary Bond and seconded by Boyd Rulifson to approve the bills for February 2025 as presented.*
    - i. *Motion passed 3-0.*
- III. Current Financial Status
  - a) The Board reviewed the district's budget v. actuals financial report. Discussion was held regarding the manner in which the revenues collected for base rate and water usage are determined. These rates are not provided by American Business Software (ABS) directly and must be calculated manually by Melissa using the Usage Report provided by ABS.
- IV. Delinquent Accounts
  - a) All delinquent accounts were reviewed, and an update was provided regarding their status.
- V. FY 23/24 Audit
  - a) The audit reconciliation has been completed, and Melissa has provided most of the information requested by the auditor to complete the fiscal year 2023-2024 audit. Singer Lewak will be visiting the district between April 7, 2025 and April 10, 2025 to finalize the audit.

#### **F. General Manager's Report**

- I. Michael Ostensen presented his report to the Board:
  - a) The insertion valve was installed on the discharge pipe of Well 1 on March 24, 2025 with very little trouble. During its installation it was discovered that one isolation valve located underneath the road at the intersection of Brookfield Avenue and McCormick Loop Road requires repair. Staff will add this item to a growing list of required repairs.
  - b) Cascade Water Works is experiencing some delays in scheduling a subcontractor to blast and clean Well 1. In spite of the delay, they will be at the office on March 31, 2025 to begin removing larger pieces of debris from the well in anticipation of the subcontractor's arrival.
  - c) The new stainless steel top cap for Well 1 was picked up from Buss Welding & Machine in Tillamook this week. Michael will finish purchasing any remaining parts and begin the process of assembling everything together.
  - d) Staff have completed many small leak repairs this month, with a surprising number of leaks being discovered in copper meter risers. In addition to normal maintenance tasks, staff were able to replace several manual read meters with radio read meters.
  - e) Hunt Water District made the decision to merge their district into Fairview Water District on March 17, 2025. Should the board agree to their request, Michael will begin planning to expand the water line to facilitate future water delivery.
    - i. It is likely that Fairview staff will begin laying the infrastructure for this merger during the summer of 2025 to ease the transition for Hunt constituents if the merger is approved by voters in an upcoming election. Staff will explore the process of simply selling water to Hunt until the merger is final.
    - ii. Boyd comments that in the past Hunt Water District had a small amount of money in a bank account, approximately \$25,000, and inquires whether staff are aware if that

still exists. Staff will begin to examine all of Hunt's assets if Fairview's board decides to accept Hunt's request to merge with Fairview.

- f) Inquiry by John Casteel regarding the proposed electrical rewiring project at the district office and whether staff have received a quote from EC Electric about the cost. To date, there has been no further communication from EC Electric, but Michael will reach out to them for an update.
- g) The District's new Water Utility Worker 1, Gerard "Jerry" Smith will be arriving in Tillamook on April 5, 2025 to set up his temporary living quarters, and is expected to begin work at Fairview at the end of April.
- h) A rather demanding series of water testing is upcoming, and over the next few months staff will be testing for Synthetic Organic Compounds (SOC's), radiologicals, lead, and copper.
- i) All required quotes for the concrete pour around Well 4 have been received. Staff will reach out to all those who supplied a quote to let them know if they have been selected or not and set up a date of construction for the pad.
- j) Cascade Water Works is interested in cleaning the Wilson Well and Michael will communicate with them to set up a date to perform the task.
  - i. Discussion regarding the Wilson Well and its rate of flow. Michael will research what is needed to scope the well and examine its condition.

#### **G. Old Business**

- I. Well 1 Project Update
  - a) This item was discussed earlier in the General Manager's Report.
- II. Well 3 Project Update
  - a) Michael is waiting to hear from Woodpecker Roofing & Remodel in regard to raising the height of the pump house roof. Due to an increase in the ground level around the pump house, the electronics must be installed higher to avoid becoming submerged should water levels rise. Discussion was held regarding the floor height; at this time at this time there is no plan to lift the floor height.
- III. Board Vacancy
  - a) The vacant Board position is still unfilled.
  - b) There is a possibility that should Fairview accept Hunt's decision to merge that a Board position may need to be offered to a current member of Hunt's board.

#### **H. New Business**

- I. Hunt Water District Merger
  - a) On March 17, 2025, Hunt Water District met and voted to merge into Fairview Water District.
  - b) A discussion was held regarding the merger and what it may entail. Melissa and Michael have begun to look into the legal process of a merger but will not continue in depth unless Fairview decides accept Hunt's decision.
  - c) It is possible that staff could begin laying pipe along McCormick Loop Road this summer in anticipation of the merger completion. There is a question of selling water to Hunt prior to the completion of the district and whether the district would be in violation of its water rights. Staff will explore all options.
- II. Board member Dustin Burdick arrives at 6:02 PM.

- a) *Motion by Boyd Rulifson and seconded by John Casteel to accept Hunt Water District's vote to merge Hunt Water District into Fairview Water District; consolidating both districts and making Fairview Water District the surviving district.*

- i. *Motion passed 4-0.*

- b) The Board directs staff to research and begin the process of a water district merger.

### III. Water Rate Increase

- a) Melissa relays a comment from Tim Tice of Oregon Association of Water Utilities (OAWU), who is currently conducting a water rate study for Fairview Water District, that initiating a rate increase prior to the completion of the study could cause OAWU to have to begin the study anew and advises against the action. Tim advised that the rate study should be completed within the next several months.
- b) The water rates of Fairview Water District and other water districts or cities in Tillamook County were reviewed.
- c) Discussion was held regarding the future of fees and rates and how Fairview may wish to categorize them in the future. Michael points out that consumption rates must be fair and equally applied, though base water rates may be distinctive to a type of connection.
- d) The differing types of connections in the district were examined. Fairview Water District has commercial, government, farm, and residential connections.
- e) The last water rate increase was implemented in 2022.

## I. Non-Agenda Items

### I. Passing of Constituents and Delinquent Accounts

- a) An increasing number of deaths in the district has led to a number of accounts being left with balances due. Staff are not always contacted by a title company when these homes pass to family or are sold, and there are times when there is no one to communicate with about the balance on an account. Melissa inquires of the Board how they would like her to handle these accounts. The Board directs Melissa to continue to collect from the estate, title company when sold, or next of kin, if possible; but if these methods fail, the amount should be passed along to whomever takes over the account.

### II. Staff Concerns

- a) There are no staff concerns.

### III. Emergency Power Source/Office Generator

- a) Query by Boyd Rulifson about the status of the acquisition of an emergency power source at the district office. Staff are waiting to hear from EC Electric, as they are working on engineering a new electric system that will supply the amount of power necessary to accommodate the needs of the water system. Discussion was held regarding the electrical system and the required upgrade to accommodate a generator that will power the office and two well pumps. Michael will communicate with EC Electric and obtain an update on their progress.

## J. Adjournment

- i. *Motion by Dustin Burdick and seconded by Gary Bond to adjourn the meeting at 6:29 PM.*

- a) *Motion passed 4-0.*



# FAIRVIEW WATER DISTRICT

403 Marolf Loop Road  
Tillamook, OR. 97141

(503) 842-4333  
[www.fairviewwater.com](http://www.fairviewwater.com)

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## OFFICE MANAGER'S REPORT FOR MARCH 27, 2025

This last month has been a whirlwind of auditing, budgeting, and day-to-day activities. I have included below a few of the larger items of interest during the month.

Singer Lewak is set to visit between April 7<sup>th</sup> and April 10<sup>th</sup> to complete their end of the audit for fiscal year 2023-2024. I do not anticipate that there will be any major issues, as Michael and I have been working steadily to move towards fixing many of the deficiencies that they had listed earlier in 2025 that were found lacking in the fiscal year 2022-2023 audit. I hope that at the completion of the audit for fiscal year 2024-2025 that we will have any deficiencies well in hand.

After a little bit of work and a few meetings, we have produced a proposed budget that we will discuss during our March meeting. I want to thank Michael Ostensen, John Casteel, and Gary Bond for all of their input during this process, as there is still a lot that I need to learn about the district and don't have the historical information that they possess.

On March 11<sup>th</sup> I emailed County Commissioner and Fairgrounds Liaison Mary Faith Bell requesting her opinion on the situation with the fairgrounds easement and the subsequent breakdown in communication between our agencies. As of today, I haven't received a response from her, but I did confirm with her on March 18<sup>th</sup> that I had sent the email to her. I will update the Board when I receive a response.

On March 17<sup>th</sup> Hunt Water District met and voted to begin the process of merging their water district into Fairview Water District. Michael and I are beginning to research the process of merging the water districts and just what that means for Fairview. I anticipate that Hunt's Board and our Board will have a joint meeting in the next couple of months to make the merger official and really allow us to move forward with the process.

Lastly, I have begun to alert the residents of Westwood Drive that we would not be moving forward with the expansion of water service into their privately owned neighborhood at this time. I advised at least one person to look into what could be done as a privately owned neighborhood that lies outside of Fairview's water district to get them hooked up to water service in a timeline that works best for them.

Melissa Rondeau  
Budget Officer, Fairview Water District  
March 20, 2025



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## **General Manager's Report MARCH 27, 2025**

For the better part of last week, I was out due to illness, and thus my month has been considerably shortened. I have recovered and am back at work full-time.

On Monday, March 24<sup>th</sup> A&A Drilling will install the Insertion Valve on the discharge pipe for Well 1.

I've spoken to Cascade Water Works regarding the cleaning of Well 1 and they are waiting on the sub-contractor to get back in touch with them. He stated they should be ready to complete the task sometime in the next two weeks.

Over the course of the last month, we fixed a couple of small leaks and replaced another meter stop that had ceased operating.

Much of my spare time over the last few weeks has been spent on budget discussions and document preparation.

A meeting of the Hunt Water District board was held, and they approved the merger into Fairview Water District. I have been looking into the next steps for the merger.

Gerard Smith, our new hire, may be here by the middle of April instead of his original arrival date of the first of May.

We have a heavy testing cycle starting next month, with one SOC test needing to be completed for each well; and we plan to collect for one in April, one in May, and one in June. We will also be doing some of the radiological testing, with lead and coppers being tested again this summer.

We have received the required number of quotes for the concrete pad around Well 4.

Completed on March 20, 2025  
Michael Ostensen, General Manager