FAIRVIEW WATER DISTRICT
BOARD OF COMMISSIONERS MEETING AGENDA
Regular Session | April 30, 2026 | 5:00 PM
403 Marolf Loop Road, Tillamook, Oregon

1. **Call To Order**
2. **Roll Call**
3. **Public Hearing – Fiscal Year 2026-27 Budget**
4. **Budget Adoption**
    a) Resolution 2026-01: *A Resolution Adopting the Fiscal Year 2026-27 Budget, Making Appropriations, and Imposing and Categorizing Taxes*
5. **Approval of Minutes**
    a) February 26, 2026 - Regular Board Meeting
    b) March 26, 2026 - Budget Committee Meeting
    c) March 26, 2026 - Regular Board Meeting
6. **Public Comment (on Non-Agenda Items)**
7. **General Manager's Report**
8. **Office Manager's Report**
9. **Financial Reports**
    a) Accounts Payable
    b) Financial Status
    c) Delinquency Summary
    d) FY 2024-25 Audit
10. **Old Business**
    a) General Manager Job Description
    b) Financial Management Policy
    c) Continued Discussion: Water Rate Study
11. **New Business**
    a) Resolution 2026-02: *A Resolution Opting to Limit Liability for Certain Claims Arising From the Use of Public Trails or Structures in Public Easements and Unimproved Rights-of-Way Pursuant to ORS 105.668*
    b) Resolution 2026-XX: *A Resolution Establishing Guidelines for Reimbursement for Water Leaks*
    c) City of Tillamook, UGB Agreement
    d) Legal Guidance: Personnel Documents in Minutes
    e) Discussion: Distribution of Board Packets
    f) Board Training Opportunity
12. **Board Member Presentations**
13. **Adjournment**

Call-in (Audio Only): (503) 738-1011, Ext. 1002

GENERAL FUND
RESOURCES AND REQUIREMENTS

FAIRVIEW WATER DISTRICT

	Historical Data					Budget for Next Year 2026-27			
	Actual			Fund	DESCRIPTION				
	Second Preceding Year 2023-24	First Preceding Year 2024-25	Adopted Budget This Year 2025-26	01	RESOURCES AND REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
					RESOURCES				
1	317622	292638	390000	01-4400	Available cash on hand	200000	200000		1
2	18775	14835	15000	01-4164	LGIP Interest	4800	4800		2
3									3
4	510977	502267	510000	01-4001	Revenue - Sale of Water	510000	510000		4
5	0	0	500	01-4004	Revenue - Sales, Service, Labor	500	500		5
6	0	0	500	01-4006	Revenue - Late Payment Fee	1000	1000		6
7	3244	0	2500	01-4162	Revenue - Miscellaneous Income	500	500		7
8	0	125000	0	01-4999	Transferred IN from Capital Fund	0	0		8
9									9
10									10
11									11
12									12
13									13
14									14
15	850618	934740	918500		**Total resources, except taxes to be levied**	716800	716800	0	15
16			31000	01-4163	Taxes estimated to be received	32000	32000		16
17	28995	30841			Taxes collected in year levied				17
18	**879613**	**965581**	**949500**		**TOTAL RESOURCES**	**748800**	**748800**	**0**	18

GENERAL FUND
RESOURCES AND REQUIREMENTS

FAIRVIEW WATER DISTRICT

	Historical Data			Fund	DESCRIPTION	Budget for Next Year 2026-27			
	Actual			01	RESOURCES AND REQUIREMENTS				
	Second Preceding Year 2023-24	First Preceding Year 2024-25	Adopted Budget This Year 2025-26			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
19					**REQUIREMENTS for OPERATIONS**				19
20									20
21					**PERSONNEL SERVICES**				21
22	3 FTE	4FTE	4 FTE		Total Full Time Equivalent (FTE)	4 FTE	4 FTE	4 FTE	22
23	134985	98208	125000	01-7000	Payroll Benefits	130000	130000		23
24	144971	220989	315000	01-7100	Payroll Wages & Taxes	310000	310000		24
25	**279956**	**319197**	**440000**		**TOTAL PERSONAL SERVICES**	**440000**	**440000**	**0**	25
26									26
27					**MATERIAL AND SERVICES**				27
28	10177	13003	14000	01-7130	Insurance	16000	16000		28
29	2188	438	10000	01-7135	Engineering, Easements, Surveys	5000	5000		29
30	1713	2723	3000	01-7138	Compliance, Operating Costs	3000	3000		30
31	30852	14272	16000	01-7139	Accounting, Auditing	23000	23000		31
32	2667	4554	3000	01-7140	Legal Services	3500	3500		32
33	902	1374	1500	01-7141	Licenses, Dues, Certifications, Memberships	1800	1800		33
34	392	447	600	01-7154	Security & Forest Patrol	600	600		34
35	0	0	200	01-7155	County Lease Agreement	200	600		35
36	2108	15828	20000	01-7156	Contractor Services	25000	25000		36
37	13265	11450	15000	01-7157	Contracted Services	14000	14000		37
38	18151	39009	45000	01-7158	System Repair & Materials	45000	45000		38
39	841	8666	10000	01-7159	Building Maintenance	5000	5000		39
40	1767	0	0	01-7161	Stock Supplies, Materials, Expenses	0	0		40
41	1143	0	0	01-7162	Shop Supplies, Materials, Expenses	0	0		41
42	3650	0	0	01-7163	Rock, Paving, Trucking	0	0		42
43	1311	1131	6000	01-7164	Water Compliance, Reports, Testing	4000	8000		43
44	1141	1110	3500	01-7166	Staff Training & Education	3000	3000		44
45	7265	0	0	01-7167	Repairs & Service - Pumps, Wells	0	0		45

GENERAL FUND
RESOURCES AND REQUIREMENTS

FAIRVIEW WATER DISTRICT

	Historical Data					Budget for Next Year 2026-27			
	Actual			Fund	DESCRIPTION				
	Second Preceding Year 2023-24	First Preceding Year 2024-25	Adopted Budget This Year 2025-26	01	RESOURCES AND REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
46	1159	0	0	01-7168	Repairs & Service - Meters	0	0		46
47	45600	44944	55000	01-7170	Electricity	53000	53000		47
48	1967	1413	3500	01-7195	Shop Truck Maintenance & Expenses	2500	2500		48
49	4172	3575	6000	01-7196	Fuel	5000	5000		49
50	861	550	1000	01-7215	Public Notices Published	900	900		50
51	434	522	1000	01-7216	Budget and Election Expenses	1000	1000		51
52	724	980	3500	01-7221	Board of Commissioners Training & Other Expenses	3000	3000		52
53	1686	3799	3000	01-7225	Communications	3000	3000		53
54	4693	0	0	01-7226	Computer Support, Services, Maintenance	0	0		54
55	95	487	500	01-7247	Miscellaneous Expenses	800	800		55
56	7254	12161	20000	01-7250	Office, Administration, Postage Expenses	17000	17000		56
57	853	0	0	01-7258	Small Equipment & Tools - Purchase, Repair, Maintenance	0	0		57
58	0	0	0	01-7260	Janitorial & Other Supplies	0	0		58
59	10	0	0	01-7270	Trash Pick-up & Hauling	0	0		59
60	0	0	0	01-7271	Employee Reimbursement - Gas, Mileage	0	0		60
61	67	79	300	01-7272	Charge-offs & Refunds	300	300		61
62	**169108**	**182515**	**241600**		**TOTAL MATERIALS AND SERVICES**	**235600**	**240000**	**0**	62
63									63
64					**CAPITAL OUTLAY**				64
65	69080	5458	60000	01-7581	Capital Equipment and Tools	21000	21000		65
66	0	23341	15000	01-7582	Capital Engineering, Easements, Surveys	5000	5000		66
67	66817	183070	175000	01-7587	Capital Improvements & Repairs	45000	40600		67
68	**135897**	**211869**	**250000**		**TOTAL CAPITAL OUTLAY**	**71000**	**66600**	**0**	68
69									69
70	**584961**	**713581**	**931600**		**TOTAL REQUIREMENTS for OPERATIONS**	**746600**	**746600**	**0**	70
71									71
72					**UNALLOCATED REQUIREMENTS**				72

GENERAL FUND
RESOURCES AND REQUIREMENTS

FAIRVIEW WATER DISTRICT

	Historical Data					Budget for Next Year 2026-27			
	Actual			Fund	DESCRIPTION				
	Second Preceding Year 2023-24	First Preceding Year 2024-25	Adopted Budget This Year 2025-26	01	RESOURCES AND REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
73									73
74					**INTERFUND TRANFERS**				74
75	160000	0	0	01-7712	General Fund to Capital Project Fund	0	0		75
76	**160000**	**0**	**0**		**TOTAL INTERFUND TRANSFERS**	**0**	**0**	**0**	76
77									77
78			17900	01-7800	Operating Contingency	2200	2200		78
79			0		Reserved for Future Expenditure	0	0		79
80			0		Unappropriated Ending Balance	0	0		80
81	**160000**	**0**	**17900**		**TOTAL REQUIREMENTS NOT ALLOCATED**	**2200**	**2200**	**0**	81
82									82
83	134652	252000			Ending balance (prior years)				83
84	**879613**	**965581**	**949500**		**TOTAL REQUIREMENTS**	**748800**	**748800**	**0**	84

SYSTEM DEVELOPMENT FUND
RESOURCES AND REQUIREMENTS

FAIRVIEW WATER DISTRICT

	Historical Data					Budget for Next Year 2026-27			
	Actual		Adopted Budget This Year 2025-26	Fund	DESCRIPTION	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 2023-24	First Preceding Year 2024-25		01	RESOURCES AND REQUIREMENTS				
					RESOURCES				
1	80719	86951	90000	04-4400	Available cash on hand	94500	94500		1
2	0	1678	3960	04-4008	Revenue - SDC LGIP Interest	4200	4200		2
3	6232	1675	0	04-4009	Revenue - SDC Charges	4978	4978		3
4									4
5	86951	90304	93960		Total resources, except taxes to be levied	103678	103678	0	5
6			0		Taxes estimated to be received	0	0		6
7	0	0			Taxes collected in year levied				7
8	**86951**	**90304**	**93960**		**TOTAL RESOURCES**	**103678**	**103678**	**0**	8
9					REQUIREMENTS FOR OPERATIONS				9
10									10
11					MATERIAL AND SERVICES				11
12									12
13	0	0	25000	04-7200	Engineering, System Improvements	25000	25000		13
14	0	0	0	04-7201	System Improvement Expenses	0	0		14
15	**0**	**0**	**25000**		**TOTAL MATERIALS AND SERVICES**	**25000**	**25000**	**0**	15
16									16
17					CAPITAL OUTLAYS				17
18									18
19	0	0	50000	04-7505	Capital System Development Expenses	50000	50000		19
20	**0**	**0**	**50000**		**Total Capital Outlays**	**50000**	**50000**	**0**	20
21	0	0	75000		**TOTAL REQUIREMENTS FOR OPERATIONS**	**75000**	**75000**	**0**	21
22									22
23					UNALLOCATED REQUIREMENTS				23
24									24
25			18600	04-7800	**Operating Contingency**	28678	28678	0	25
26			0		Reserved for future expenditure	0	0		26
27			0		Unappropriated Ending Balance	0	0		27
28	0	0	0		**TOTAL REQUIREMENTS NOT ALLOCATED**	0	0		28
29	86951	90304			Ending balance (prior years)				29
30	**86951**	**90304**	**93600**		**TOTAL REQUIREMENTS**	**103678**	**103678**	**0**	30

CAPITAL PROJECTS FUND
RESOURCES AND REQUIREMENTS

FUND CLOSED (FISCAL YEAR 2024-25)

FAIRVIEW WATER DISTRICT

	Historical Data					Budget for Next Year 2026-27			
	Actual		Adopted Budget This Year 2025-26	Fund	DESCRIPTION	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 2023-24	First Preceding Year 2024-25		01	RESOURCES AND REQUIREMENTS				
					RESOURCES				
1	125000	0	0	05-4400	Available cash on hand	0	0		1
2	0	0	0	05-4164	Interest	0	0		2
3	0	0	0	05-4165	Transferred IN from Capital Fund	0	0		3
4	**125000**	**0**	**0**		Total resources, except taxes to be levied	**0**	**0**	**0**	4
5			0		Taxes estimated to be received	0	0		5
6	0	0			Taxes collected in year levied				6
7	**125000**	**0**	**0**		**TOTAL RESOURCES**	**0**	**0**	**0**	7
8					REQUIREMENTS for OPERATIONS				8
9					Capital Outlay				9
10	0	0	0	05-7501	Well Development	0	0		10
11	0	0	0	05-7503	Valley View Height Improvements	0	0		11
12	0	0	0	05-7504	Wilson/Fairview Intertie	0	0		12
13	**0**	**0**	**0**		**Total Capital Outlay**	**0**	**0**	**0**	13
14	**0**	**0**	**0**		**Total Requirements for Operations**	**0**	**0**	**0**	14
15					Unallocated Requirements				15
16					**Interfund Transfers**				16
17	125000	0	0		Capital Projects Fund to General Fund	0	0		17
18	125000	0	0		Total Interfund Transfers	**0**	**0**	**0**	18
19			0		Unappropriated Ending Balance	0	0		19
20	125000	0	0		TOTAL REQUIREMENTS NOT ALLOCATED	0	0		20
21	0	0			Ending balance (prior years)				21
22	**250000**	**0**	**0**		**TOTAL REQUIREMENTS**	**0**	**0**	**0**	22

FAIRVIEW WATER DISTRICT
RESOLUTION 2026-01

RESOLUTION ADOPTING THE BUDGET

BE IT RESOLVED that the Board of Commissioners of the Fairview Water District hereby adopts the budget for fiscal year 2026-2027 in the total of $852,478. This budget is now on file at the District Office located at 403 Marolf Loop Road, Tillamook, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2026, and for the purposes shown below are hereby appropriated:

General Fund		
Operations	$	746,600
Not Allocated to Organizational Unit or Program:		
Transfers Out	$	0
Contingency	$	2,200
Total	$	**748,800**

System Development Fund		
Operations	$	75,000
Not Allocated to Organizational Unit or Program:		
Transfers Out	$	0
Contingency	$	28,678
Total	**$**	**103,678**

Capital Projects Fund		
Operations	$	0
Not Allocated to Organizational Unit or Program:		
Transfers Out	$	0
Contingency	$	0
Total	$	**0**

Total APPROPRIATIONS, All Funds	**$**	**852,478**
Total Unappropriated and Reserve Amounts, All Funds	$	0
TOTAL ADOPTED BUDGET	**$**	**852,478**

RESOLUTION IMPOSING THE TAX

BE IT RESOLVED that the following ad valorem property taxes are hereby imposed for tax year 2026-2027 upon the assessed value of all taxable property within the district:

At the rate of $0.1852 per $1,000 of assessed value for permanent rate tax

RESOLUTION CATEGORIZING THE TAX

BE IT RESOLVED that the taxes imposed are hereby categorized for purposes of Article XI section 11b as:

Permanent Rate Tax $0.1852 / $1,000

The above resolution statements were approved and declared adopted on the **30th day of April 2026**.

John Casteel, Board Position 1	Date	Dustin Burdick, Board Position 2	Date
Boyd Rulifson, Board Position 3	Date	Gary Bond, Board Position 4	Date
James Huffman, Board Position 5	Date		

FAIRVIEW WATER DISTRICT
BOARD OF COMMISSIONERS MEETING MINUTES
REGULAR SESSION | FEBRUARY 26, 2026 | 5:00 PM
403 MAROLF LOOP ROAD, TILLAMOOK, OREGON

1. CALL TO ORDER

Board Chair John Casteel called the meeting to order at 5:02 PM.

2. ROLL CALL

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

b) Board Members Absent: Boyd Rulifson, Dustin Burdick

c) Staff Present: Michael Ostensen, Melissa Rondeau

d) Visitors Present: Michael Tohl, Ryan Killgore, Matt Mumford, Doug Barker, Don Aufdermauer, Taylor Aufdermauer, Joseph Barker, Richard Obrist, Derrick Josi, Jerry Markee

3. APPROVAL OF MINUTES

Motion *by Gary Bond and seconded by James Huffman, to approve the minutes of the January 29, 2026 Board of Commissioners Meeting.*

Vote*:* *Aye: Casteel, Bond, Huffman*
Nay: None
Abstain: None
Motion passed 3-0

4. PUBLIC COMMENT (on Non-Agenda Items)

Mumford questioned why there had been no public notice regarding a rate increase and asked about the purpose of the ordinance reading on tonight's agenda. Casteel and Bond explained that no rate increase had been adopted and that the workshop earlier in February had been held to discuss the rate study only. Further explanation was provided that the ordinance is intended to clarify the District's existing method of establishing water rates.

5. GENERAL MANAGER'S REPORT

The General Manager's written report was provided to the Board ahead of the meeting. The report was received without comment.

6. OFFICE MANAGER'S REPORT

The Office Manager's written report was provided to the Board prior to the meeting. No questions were asked, and topics within the report were addressed under their respective agenda items.

7. FINANCIAL REPORTS

a) Approval of January 2026 Accounts Payable and Payment Report

The Board reviewed the Accounts Payable report for January 2026. No questions were raised.

***Motion** by Gary Bond and seconded by James Huffman, to approve all payments for January 2026.*

***Vote**:* *Aye: Casteel, Bond, Huffman*
Nay: None
Abstain: None
Motion passed 3-0

b) Review of Budget v. Actuals Report

The Budget v. Actuals report was provided to the Board prior to the meeting. Casteel explained to those in attendance the purpose of the report and how it is used to monitor the District's finances during the fiscal year. The Board had no questions regarding the report.

c) Delinquent Accounts Summary

The Board reviewed the delinquent accounts summary and discussed the District's process for monitoring delinquent accounts after receiving inquiries from attendees about its function.

d) Fiscal Year 2024-25 Audit

Rondeau provided an update on the status of the District audit for fiscal year 2024-25. The District has secured CFO Selections, a CPA firm, to act as financial consultants, and a new contract has been singed with SingerLewak to perform the audit.

8. OLD BUSINESS

a) Draft Updated General Manager Job Description

This item was tabled until next month.

b) Draft Financial Management Policy Update

This item was tabled until next month.

c) HydroCorp, Inc. Contract Update

Ostensen provided a brief background on the District's previous contract with HydroCorp and the District's history of backflow and cross-connection services. General discussion followed regarding challenges encountered under the contract. Staff are reviewing the most recent communication with HydroCorp and will determine whether all contract deliverables have been submitted. If all deliverables have been received, the final payment to HydroCorp will be issued.

d) OAWU Water Rate Study

Casteel presented an overview of the Oregon Association of Water Utilities (OAWU) water rate study and explained why the District initiated the study and why the Board is considering potential future adjustments to the rate structure.

***Motion** by Gary Bond and seconded by James Huffman, to post the OAWU Water Rate Study online.*

***Vote**:* *Aye: Casteel, Bond, Huffman*
Nay: None
Abstain: None
Motion passed 3-0

Discussion followed regarding the rate study and the District's rate structure. Topics included base rates, consumption charges, agricultural water use, and how the study was prepared. Josi expressed concern regarding potential increases to consumption rates and stated that he may consider drilling private wells on his farm if the District moved in that direction. He suggested increasing the base rate so that the base rate covers a greater portion of the District's expenses rather than relying primarily on consumption charges. The Board emphasized that the water rate study had only recently been received and that discussions regarding potential rate adjustments were still in the early stages.

9. NEW BUSINESS

a) First Reading of Ordinance 2026-01: *An Ordinance Clarifying How Water Rates Are Established, Maintaining Continuity of Existing Rates, and Superseding Prior Rate Ordinances*

Bond introduced Ordinance 2026-01 and provided a brief overview. Copies of the ordinance were provided to those in attendance and made available on the District's website for public review. Commissioner Bond read the ordinance by title only. No comments were received from the Board or members of the public. As this item constituted the first reading, no action was taken. The second reading and potential adoption of Ordinance 2026-01 was scheduled for the March 26, 2026 Board of Commissioners meeting.

b) Water Bill Reduction Requests

***Motion** by Jim Huffman and seconded by John Casteel, to reduce the consumption portion of the bills by 50% for both water bill reduction requests.*

***Vote**:* *Aye: Casteel, Bond, Huffman*
Nay: None
Abstain: None
Motion passed 3-0

The Board directed staff to include a review of the water bill reduction policy on the agenda at a future meeting.

c) City of Tillamook Correspondence and Counsel Response

Ostensen described the history of the urban services agreement between Fairview Water District and the City of Tillamook. Casteel volunteered to communicate with Shawn Burge, Public Works Director for the City of Tillamook, regarding his correspondence with Ostensen concerning work completed within the urban growth boundary.

***Motion** by Jim Huffman and seconded by Gary Bond, to authorize John Casteel to send a letter to the City of Tillamook asking the City to communicate with Tillamook County to facilitate the renewal of an Urban Services Agreement between the City and the District.*

***Vote**:* *Aye: Casteel, Bond, Huffman*
Nay: None
Abstain: None
Motion passed 3-0

d) General Manager Performance Evaluation (Elected Open Session)

Upon written request from General Manager Michael Ostensen, and verbal confirmation during the meeting, the Board conducted the annual performance evaluation for the General Manager in open session. After the Board completed their evaluation, Casteel invited members of the public to provide comments regarding Ostensen's performance during the prior year. Several members of the public provided comments that included topics of staff training and operational practices. Ostensen responded to questions regarding staffing and equipment availability.

The completed evaluation forms were collected for compilation and placement in Ostensen's personnel file.

10. COMMISSIONER REPORTS/PRESENTATIONS

Casteel noted that two members of the Board had not been attending meetings and requested input regarding how to address the issue. The Board directed staff to seek guidance from legal counsel regarding an attendance policy for elected officials.

11. STAFF PRESENTATIONS

This agenda item was not addressed.

12. ADJOURNMENT

Motion *by Gary Bond and seconded by Jim Huffman to adjourn the meeting at 7:28 PM.*

Vote*:* *Aye: Casteel, Bond, Huffman*
Nay: None
Abstain: None
Motion passed 3-0

Fairview Water District
Memo to the Board of Commissioners
Subject: General Manager Evaluation Summary: Goals for Next Review Period
Date: March 13, 2026
From: Melissa Rondeau, Office Manager

This memo summarizes the general areas of focus for the next review period that were identified during General Manager Michael Ostensen's performance evaluation. It is intended as a high-level summary and does not include individual evaluation forms or scores.

At the February 26, 2026 regular Board meeting, and at the request of the General Manager, the Board conducted his annual performance evaluation in open session. Public comment was also received and is summarized in addition to Board input. Individual evaluation forms were completed by Board members and are maintained in the General Manager's personnel file.

The following items were identified as areas of focus for the next review period:

- Overall improvement of the General Manager's monthly report.
- Creation of a project tracking report showing capital projects, costs, timelines, and priorities.
- Improve communication by focusing on listening and allowing space for others to speak.
- Ongoing system maintenance and leak repair, within available staff time and budget.
- Increased coordination with agricultural users and other customers.
- Focus on staff training and development.

Public comment generally emphasized staff training, equipment availability, and prioritization of leak repairs.

This summary reflects general discussion topics only and is provided for reference. It does not represent individual commissioner evaluations or formal Board direction.

MR

FAIRVIEW WATER DISTRICT
BUDGET COMMITTEE MEETING MINUTES
March 26, 2026 | 5:00 PM
Tillamook Swiss Hall, 4605 Brookfield Avenue, Tillamook, Oregon

1. CALL TO ORDER

a) Budget Officer Melissa Rondeau called the meeting to order at 5:02 PM

2. ROLL CALL

a) Budget Committee Members Present: Richard Obrist, Larry Anderson, Adam Nielsen, Matt Mumford (via telephone), Mark Sybouts

b) Budget Committee Members Absent: None

c) Board Members Present: John Casteel, Gary Bond, James Huffman, Dustin Burdick (arrived 6:02 PM)

d) Board Members Absent: Boyd Rulifson

e) Staff Present: General Manager Michael Ostensen, Office Manager/Budget Officer Melissa Rondeau

f) Visitors Present: Don Aufdermauer, Taylor Aufdermauer, Doug Barker, Joseph Barker, Tilda Chadwick-Jones, Daniel Emmons, Brian Beeler, Derrick Josi, Chad Martin, Adam Nielsen, Richard Obrist, Luke Oldenkamp, Rick Steel, Bruce Thomas, Michael Tohl

3. ELECTION OF BUDGET COMMITTEE CHAIR

Motion by Larry Anderson and seconded by Matt Mumford to elect Richard Obrist as Budget Committee Chair for the fiscal year 2026-27.

Vote: Aye: Obrist, Anderson, Nielsen, Mumford, Sybouts
Nay: None
Abstain: None
Motion passed 5-0

4. DESIGNATION OF MEETING RECORDER

a) Rondeau was unanimously designated as meeting recorder.

5. BUDGET COMMITTEE DISCUSSION

Rondeau presented the budget message and an overview of the proposed budget for fiscal year 2026-27.

A line-by-line review of the proposed budget was conducted.

a) The following items generated discussion:

i. **Line items 23-24 (Payroll Benefits, Wages, and Taxes)**: Discussion was held regarding the need for four full-time employees. No changes were made to the proposed amounts.

ii. **Line 35 (County Lease Agreement)**: The County has not invoiced the District in several years. Staff requested an increase from $200 to $600 for fiscal year 2026-27.

iii. **Line 43 (Water Compliance, Reports, and Testing)**: Due to new state-mandated PFAS testing requirements, staff requested an increase from $4,000 to $8,000 for fiscal year 2026-27. The amount is an estimate due to limited available information.

iv. **Line 67 (Capital Improvements & Repairs)**: This line was reduced to $4,400 to offset increases to Lines 35 and 43.

b) Nielsen expressed concern regarding the limited funds available for grant application efforts and recommended pursuing 100% reimbursement grant opportunities.

c) Chair Obrist opened the floor for public comment.

6. PUBLIC COMMENT

a) Tilda Chadwick-Jones inquired about a potential future rate increase. While the Board is currently considering a rate increase, the proposed fiscal year 2026-27 budget does not include one.

b) Derrick Josi asked about the necessity of adding a fourth staff member. General Manager Ostensen stated that the District has historically operated understaffed and that four employees represent a minimum staffing level. He explained that state safety and compliance requirements mandate a three-person crew for excavation and repair work, and that prior practices did not meet these standards. He further clarified that non-employees cannot fulfill required supervisory roles. Josi expressed concern regarding personnel costs, noting that staffing and contracted services represent a considerable portion of the budget. Ostensen explained that the District lacks certain equipment and relies on contracted services for specialized work such as crane operations, excavation, roadside and ditch work, and site restoration.

c) Ostensen stated that historical underinvestment in the District's infrastructure has resulted in widespread system deficiencies. He noted that many components are over 40 years old and that little replacement had occurred for at least 20 years prior to his arrival at the District. Recent investments have been made to address these issues, with the expectation that costs will decrease over time.

d) Josi also asked about the potential acquisition of another water district and Fairview's ability to absorb additional aging infrastructure. Obrist, speaking as a representative of Hunt Water District, explained their position and reasons for seeking annexation.

7. SET FUTURE MEETING DATE(S)

a) No additional Budget Committee meetings will be held to discuss the budget for fiscal year 2026-27.

8. APPROVE PROPOSED BUDGET AND PROPERTY TAX AMOUNT OR RATE TO BE LEVIED

<u>Motion</u> by Larry Anderson and seconded by Mark Sybouts to approve the proposed budget for fiscal year 2026-27, with amendments to Lines 35, 43, and 67.

<u>Vote</u>: Aye: Obrist, Anderson, Nielsen, Mumford, Sybouts
Nay: None
Abstain: None
Motion passed 5-0

9. ADJOURNMENT

<u>Motion</u> by Richard Obrist and seconded by Mark Sybouts to adjourn the meeting at 6:20 PM

<u>Vote</u>: Aye: Obrist, Anderson, Nielsen, Mumford, Sybouts
Nay: None
Abstain: None
Motion passed 5-0

FAIRVIEW WATER DISTRICT
BOARD OF COMMISSIONERS MEETING MINUTES
Regular Session | March 26, 2026 | Following Budget Committee Meeting
Tillamook Swiss Hall, 4605 Brookfield Avenue, Tillamook, Oregon

1. CALL TO ORDER

Chair John Casteel called the meeting to order at 6:30 PM.

2. ROLL CALL

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

b) Board Members Absent: Boyd Rulifson

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

d) Visitors Present: Tilda Chadwick Jones, Daniel Emmens, Joseph Barker, Doug Barker, Brian Beeler, Michael Tohl, Richard Obrist, Luke Oldenkamp, Rick Steel, Bruce Thomas, Don Aufdermauer, Taylor Aufdermauer, Derrick Josi, Chad Martin, Larry Anderson, Adam Nielsen

3. APPROVAL OF MINUTES

Motion by Gary Bond and seconded by James Huffman, to approve the minutes of the February 21, 2026 Water Rate Study Workshop.

Vote: Aye: Casteel, Burdick, Bond, Huffman
Nay: None
Abstain: None
Motion passed 4-0

Motion by John Casteel and seconded by Dustin Burdick to approve the minutes of the February 26, 2026 Board of Commissioners Meeting.

Discussion: Commissioners Bond and Huffman expressed concern that the personnel documents discussed at the meeting were not included with the meeting minutes. Staff noted that including such documents is not standard practice and may raise concerns regarding the handling of personnel-related materials. Ostensen stated that he does not consent to inclusion of his personnel evaluation documents in the publicly posted meeting minutes and prefers that materials of this type remain protected and subject to formal public records requests. The Board directed staff to consult with legal counsel regarding requirements and best practices for inclusion of personnel documents in meeting minutes.

Vote: Aye: None
Nay: None
Abstain: None

Result: *Motion Failed*

4. PUBLIC COMMENT (on Non-Agenda Items)

Adam Nielsen expressed concern regarding the District's financial position, noting that current revenue levels may be insufficient to meet operational needs. He also recommended that the District pursue grant opportunities but worries that the District may be unable to meet matching fund requirements.

Rick Steele inquired about the methodology by which the District prioritizes leak repairs and raised concerns regarding the timeline for the repair of a leak located near his property. Ostensen explained that repairs are prioritized based on risk to life and property, system impact, and operational concerns. Steele is referencing a leak located near the reservoir and close to the 12-inch mainline supplying the system, which presents a significant risk to human life and system integrity if not addressed carefully. The Board requested that staff develop a cost estimate and proposed plan of action for the repair. Ostensen noted that he will continue to work towards this repair, but that it may take some time, as local contractors have already rejected the work due to the dangerous and complex nature of the repair.

5. GENERAL MANAGER'S REPORT

The General Manager's written report was provided in advance of the meeting.

Following questions from attendees, Casteel asked whether Board packets are posted online. Staff confirmed that packets are not currently posted online and noted that prior Board direction had not supported doing so. The Board reached consensus to direct staff to begin posting Board packets on the District's website.

Chair Casteel requested a review of the leaks identified in the report. Discussion followed regarding system leaks, water loss, and data used in the recent water rate study completed by Oregon Association of Water Utilities (OAWU). Derrick Josi inquired whether the leaks identified in Ostensen's report account for the water loss reflected in the water rate study. Ostensen clarified that the study does not reflect recent repairs and system improvements. Since July 2025, updated flowmeters at the District's active wells have allowed for a more accurate comparison between water produced and water sold. Based on this data, total systemic water loss is estimated at 15%, which includes water loss from leaks.

Nielsen and Ostensen discussed the types of water meters currently in use in the system, with Ostensen reporting that the District has replaced approximately 50% of all meters with digital read meters and will continue upgrading the older models as part of ongoing system improvements.

Additional questions were raised regarding water loss, meter replacement, and system operations. Ostensen clarified that public comment during Board meetings is intended for receiving input and that staff are available during regular business hours to address operational or service-related questions in greater detail.

6. OFFICE MANAGER'S REPORT

The Office Manager's written report was provided in advance of the meeting.

Rondeau reported that the proposed fiscal year 2026-27 budget has been completed and that work on the fiscal year 2024-25 audit has begun. Due to recent issues with Automatic Clearing House (ACH) payments, including delayed notification of failed transactions and limited reporting from the bank, staff are evaluating whether to discontinue ACH payments altogether.

Limited historical operational data is available to support accurate financial forecasting. Because of this, Rondeau will begin tracking operational data more consistently to improve budgeting in the future. Bond requested updates on the data being tracked and confirmed with Rondeau that he is requesting access to operational data. No formal direction was provided by the Board at that time.

Rondeau requested that the Board consider discontinuing the practice of having staff hand deliver Board packets directly to their homes, citing potential risk to the District and unnecessary use of staff time and resources. Board members currently receive packets electronically and may pick up physical copies at the District office during regular business hours. The Board requested that this item be placed on a future agenda for discussion.

7. FINANCIAL REPORTS

a) Approval of the February 2026 Accounts Payable Report

The Board reviewed the Accounts Payable report for February 2026. No questions were raised.

Motion by Gary Bond and seconded by Dustin Burdick, to approve all payments for February 2026 as presented.

Vote: Aye: Casteel, Burdick, Bond, Huffman
Nay: None
Abstain: None
Motion passed 4-0

b) Budget v. Actuals Report

Chair Casteel reviewed the purpose of the report and its use in monitoring the District's financial performance throughout the fiscal year. No comments or questions were raised by the Board.

c) Delinquent Accounts Summary

The Board reviewed the delinquent accounts summary. Casteel discussed the District's process for monitoring delinquent accounts. No questions were raised by the Board.

d) Fiscal Year 2024-25 Audit

Rondeau reported that the District has engaged SingerLewak to perform the audit for fiscal year 2024-25. The Board directed staff to follow up with the SingerLewak regarding the anticipated timeline for distribution of the fiscal year 2023-24 audit report to Board members.

8. OLD BUSINESS

a) **Water Rate Study: Continued Board Discussion**

Derrick Josi shared that he had reviewed the water rate study completed by OAWU and had questions about the data used and the time period on which it was based. He noted that the District has had significant expenses in recent years related to pump and well work and expressed hope that similar costs won't be needed again for some time.

Discussion followed about whether the rate study fully reflects the District's current financial needs and whether the proposed increases will be enough to support ongoing expenses. Conversation centered around how rate increases may impact customers, particularly agricultural users, with some in attendance noting that higher rates could lead to customers seeking alternative water sources.

Chair Casteel stated that the study makes it clear that the District is not currently bringing in enough revenue to meet its expenses. The Board and attendees discussed different approaches to adjusting rates, including increasing base rates instead of consumption-based charges, and it was generally agreed that some level of increase will be needed. No formal proposal has been developed at this time.

Casteel and Bond reiterated that the Board is still in the early stages of this process, that no decisions have been made, and that a proposed rate increase will be developed and brought forward to the public for future consideration.

a) Draft General Manager Job Description

This item was tabled until the next meeting.

b) Draft Financial Management Policy

This item was tabled until the next meeting.

9. NEW BUSINESS

a) Second Reading of Ordinance No. 2026-01: *An Ordinance Clarifying How Water Rates Are Established, Maintaining Continuity of Existing Rates, and Superseding Prior Rate Ordinances*

Commissioner Bond introduced the ordinance and clarified that its purpose is to confirm the water rates that are already in place and does not change or create any new ones. Richard Obrist requested clarification regarding the superseded items mentioned in the ordinance. Bond explained that the District has adopted various ordinances and resolutions related to rates in the past, and this ordinance is intended to establish a more consistent framework moving forward.

Concern was expressed by Josi that establishing rates by resolution may make it easier to implement changes without sufficient public awareness. Bond provided an overview of the rate-setting process and noted that future rate changes would follow all required procedures.

Copies of the ordinance were made available to those in attendance and posted on the District's website for public review. Commissioner Bond read the ordinance by title only. No further comments were received from the Board or members of the public.

b) Adoption of Ordinance No. 2026-01

Motion by Dustin Burdick and seconded by James Huffman to adopt Ordinance No. 2026-01: An Ordinance Clarifying How Water Rates are Established, Maintaining Continuity of Existing Rates, and Superseding Prior Rate Ordinances.

The ordinance was read by title only.

Vote: *Aye: Casteel, Burdick, Bond*
Nay: Huffman
Abstain: None
Motion passed 3-1

c) Consideration of a COLA wage increase for the General Manager

Motion by Gary Bond and seconded by Dustin Burdick, to grant General Manager Michael Ostensen a 2.7% cost of living adjustment (COLA), retroactive to January 2026.

Vote: *Aye: Casteel, Burdick, Bond, Huffman*
Nay: None
Abstain: None
Motion passed 4-0

d) Utility Bill Reduction Request

Motion by Gary Bond and seconded by James Huffman to approve a 50% reduction to the February 2026 consumption charges for utility account no. 0110501, in the amount of $48.83, due to the prompt repair of a water service line leak.

Vote: *Aye: Casteel, Bond, Huffman*
Nay: Burdick
Abstain: None
Motion passed 3-1

e) Discussion of Utility Bill Reduction Request Policy

Commissioner Bond provided an overview of the District's historical practice of granting a 50% reduction to utility bills when a customer repairs a leaking water service line. The District does not currently have a formal policy establishing a standard approach to bill adjustments. Rondeau referenced Fairview Water District Ordinance No. 2000-1, which allows for reductions to billed amounts upon written application and approval by the District. Ostensen shared that, in the past, adjustments were calculated by determining an average consumption over a set period and applying a reduction to that amount. Following discussion, Bond requested that staff remove references to leak adjustments from the District's website. Bond also stated that he will draft a policy and updated request form for Board consideration at a future meeting.

10. COMMISSIONER REPORTS/PRESENTATIONS

a) John Casteel – Discussion with Mark Knudson, Special Districts Association of Oregon

Chair Casteel reported ongoing discussions related to an expired agreement between the City of Tillamook and Fairview Water District regarding work within the City's urban growth boundary. The agreement expired in October 2020, and the City has made multiple requests for a new agreement. District staff have previously requested that the City coordinate directly with the Board on this matter. In March 2026, Casteel sent a certified letter to the City of Tillamook Public Works Director, Shawn Burge, expressing the Board's preference that the City work with Tillamook County to facilitate the development of a new agreement. Casteel also reported that he recently spoke with Mark Knudson of the Special Districts Association of Oregon (SDAO) and received additional information that may assist the Board as it begins developing a new agreement. He asked Board members to begin considering which elements of the prior agreement they would like to retain or revise.

b) John Casteel – Recreational Immunity Opt-In for Special Districts

Recreational immunity protections have recently been expanded to include special districts, and Casteel recommends that the District consider opting in. After agreement, the Board directed staff to prepare a resolution for Board consideration at a future meeting.

11. STAFF PRESENTATIONS

This item was not addressed.

12. ADJOURNMENT

Motion *by Gary Bond and seconded by Jim Huffman to adjourn the meeting at 7:28 PM.*

Vote*:* *Aye: Casteel, Burdick, Bond, Huffman*
Nay: None
Abstain: None
Motion passed 4-0

FAIRVIEW WATER DISTRICT
403 Marolf Loop Road
Tillamook, OR. 97141
(503) 842-4333
www.fairviewwater.com

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

We have submitted a waiver for the annual toluene sampling on Well 4. The State hydrogeology team has reviewed the waiver, determined that no plausible source of toluene is present, and have returned the sampling frequency to once every three years. This is a small win financially for the district, saving us about $225 per year, but it's a big win to me because it shows the State of Oregon can be reasoned with if you stay persistent.

We will be conducting PFOS/PFAS sampling for all four wells next month. That will be another approximate $1600 in sampling costs this year. Another round will be due 5-7 months after this one. I've contacted Gregg Baird from the State for clarification on this requirement. My concern is that only Well 1 has had a positive result so far, but the State is requiring monitoring for all four wells. I'm hoping Gregg can answer some of these questions and hopefully reduce this to one test every six months. I'll expect to have more information by the meeting.

The 1994 Chevy pickup has been delivered to S-R Repair. I've been told not to expect it's return until mid-May at the earliest. They've been instructed to start with the steering and exhaust, as those are the two most deteriorated systems. They are to notify me of anything else that they discover that requires repair.

Advanced Excavation, Inc. has provided an estimate for the work on Marvin Lane. Due to the danger and cost of excavating the existing line, along with the fact that it is already 39 years old and we have no record of how it was installed, I asked them to put together an estimate for installing a new line from the reservoir to just beyond the current leak. This project would be comprised of 1,100 feet of new SDR 11 12-inch pipe, three mainline connections with new valves (two of which currently have no valves), and one new service connection for the home at that location. We also have the option of installing a 12-inch branch for future reservoir development. I can provide a copy of the estimate upon request. Please keep in mind that this is for project planning purposes and actual costs may vary.

In connection with the repair mentioned above; the District owns a large piece of property just east of the location that is well-suited for future reservoir development. Staff are looking into feasibility studies to determine project viability. If pursued, this work would likely be combined with the Marvin Lane project and be completed at the same time. This would include installation of two seismic valves, one for each reservoir. With the addition of at least one million gallons of storage, seismic protection for approximately 1,100 feet of transmission line, and the upgrades already completed on our wells, this would position Fairview very well for long-term system reliability.

It is unlikely that I will be able to complete all necessary upgrades to the water district within my lifetime. However, if we move forward with this project and continue upgrading infrastructure throughout the District, it is very likely that Fairview will not have any areas of significant concern. I also want to note that these plans are not mine alone; our staff has contributed significantly to identifying these needs and solutions. We look forward to pursuing this project and request the Board's full consideration on the matter.

<u>CURRENT LEAKS</u>

1) **Trask River Road (Cedarcrest to Hollyridge)**

   Line replacement is needed along this segment. Due to the challenges of length and placement, in-house engineering will be required. Contracted services, additional equipment, and extra safety measures will be necessary.

2) **Wilson River Loop: Approximately 0.23 miles east of Highway 101**

   A failed corporation stop has been identified and full replacement is planned.

3) **Wilson River Loop/Sollie Smith Road**

   Investigation into the source of the leak is ongoing and work is proceeding.

4) **Blum Lane**

   Plans are underway to abandon the older line between Blum Lane and Wilson River Loop. We Are working to complete this replacement as quickly as possible.

5) **3rd Street/Circle Drive**

   The service line requires excavation and replacement. Staff are developing an approach due to difficult site conditions.

6) **Sollie Smith Road/Aldercrest Road**

   Service line excavation and repair are required. Planning is ongoing.

7) **Marvin Lane (near Myers Court)**

   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.

8) **Makinster Road (at cul-de-sac loop)**

   Full replacement of the distribution line serving this loop is required.

COMPLETED ON APRIL 20, 2026
Michael Ostensen – General Manager

FAIRVIEW WATER DISTRICT

403 Marolf Loop Road (503) 842-4333
Tillamook, OR. 97141 **www.fairviewwater.com**

OFFICE MANAGER'S REPORT FOR APRIL 30, 2026

The District has received the 2026 health insurance renewal from Special Districts Insurance Services (SDIS), effective July 1, 2026. Overall, rates will increase by about 6.5% for medical, 5.8% for Delta Dental, 12.6% for Willamette Dental, with no changes to life or disability. We had anticipated these increases, and they are already reflected in the approved fiscal year 2026-27 budget.

Ordinance 2026-01 has been notarized and submitted to the County and is on File at the District office.

Tillamook County Public Works has responded to our inquiry regarding the office lease and a lapse in billing. With their help, we confirmed that the District is approximately three years behind, totaling about $597. Moving forward, the County will resume annual billing so that we can keep things current. I've requested billing from the Fairgrounds for the same time periods, as we are also obligated through the lease to pay the Fair Board $1 annually. I am waiting to hear back.

Progress on the fiscal year 2026-27 audit has been slower than hoped due to the time required for board and budget-related work. With the budget as well as a few other heavy lifts just about wrapped up, I expect to shift focus and place priority on the audit.

As requested, I checked in with SingerLewak regarding the Board's printed copies of the fiscal year 2023-24 audit. They shared that electronic copies have been sent to all board members, and printed copies will be mailed as soon as they are available. According to the auditor, they have been experiencing some minor issues in the department that provides this service and are quite backlogged. If interested, you may access this report and many others on the Oregon Secretary of State's website by performing a *Local Government Audit Report Search*.

Hunt Water District has engaged the legal services of Albright Kittell PC to assist with the annexation process. They anticipate bringing a request to the Board soon for formal support of their action. Staff will remain available to assist them as needed as they move through this process and continue to update the Board as information becomes available.

There is quite a bit of work happening at the District right now, including ongoing efforts to improve systems and operations. A lot of it isn't always visible, but it's all a part of keeping things running smoothly and setting us up for a successful future. If anyone would like a closer look at what we're working on, or just want to learn more, I highly encourage you to coordinate time with the General Manager. As he's said many times, he would love to show you around and share more information with you - and there is A LOT to share.

Melissa Rondeau | Office Manager
Prepared 4/20/26

Summary of Accounts Payable	
Payments Processed During March 2026	
Presented April 30, 2026	
Personnel Costs	27,129.54
Banking Fees	247.20
Insurance	5,239.87
Utilities	3,758.86
Professional Services	21,640.00
Testing, Compliance & Permits	278.50
Operations, Repairs, & Supplies	2,535.47
Vehicles, Fuel, & Equipment	697.62
Administrative Expenses	1,444.83
Total Accounts Payable	**62,971.89**

Budget v Actual Report - Fairview Water District

Periods 1-9 | Year 2026 | July 2025-March 2026

Account	Description	Budget	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	YTD	Variance	%
014004	Revenue - Sales/Service/Labor	500.00											500.00	
014006	Revenue - Late Payment Fee	500.00			40.00	55.00	235.00	365.00	240.00	120.00	160.00	1,215.00	(715.00)	243.00
014162	Revenue - Miscellaneous	2,500.00	322.81	359.93	283.36	262.84	389.26	360.17	345.66	399.24	345.03	3,068.30	(568.30)	122.73
014163	Revenue - Property Taxes	31,000.00					32,063.71					32,063.71	(1,063.71)	103.43
014164	Revenue - LGIP Interest	15,000.00	921.25	843.18	819.06	747.26	658.80	643.87	691.43	564.18	522.26	6,411.44	8,588.56	42.74
	Total Revenue	439,500.00	1,244.06	1,203.11	1,142.42	1,065.10	33,346.77	1,369.04	1,277.09	1,083.42	1,027.29	42,758.45	396,741.55	9.73
014007	Revenue - Base Rate	240,000.00	19,464.51	19,774.57	19,725.82	19,762.51	19,837.67	20,416.37	20,490.45	20,359.05	20,403.73	159,830.95	(80,169.05)	66.60
014008	Revenue - Consumption	270,000.00	24,724.52	32,875.63	11,347.40	22,172.81	21,822.19	22,826.63	19,540.41	18,175.09	16,946.90	173,484.68	(96,515.32)	64.25
014001	Revenue - Water Sales	510,000.00	44,189.09	52,650.20	31,073.22	41,935.32	41,659.86	43,243.00	40,030.86	38,534.14	37,350.63	370,666.32	139,333.68	72.68
	Total Water Revenue	510,000.00	44,189.09	52,650.20	31,073.22	41,935.32	41,659.86	43,243.00	40,030.86	38,534.14	37,350.63	370,666.32	139,333.68	72.68
	TOTAL REVENUE	949,500.00	45,433.15	53,853.31	32,215.64	43,000.42	75,006.63	44,612.04	41,307.95	39,617.56	38,377.92	413,424.77	536,075.23	
017000	Payroll Benefits & Taxes	125,000.00	11,099.95	11,467.99	3,703.10	8,312.65	22,847.25	9,214.15	10,921.23	10,611.95	10,554.61	98,732.88	26,267.12	78.99
017100	Payroll Wages & Taxes	315,000.00	15,605.00	15,605.00	16,048.31	16,006.81	18,089.43	20,244.85	20,652.45	20,652.45	21,097.93	164,002.23	150,997.77	52.06
	Total Payroll Expenses	440,000.00	26,704.95	27,072.99	19,751.41	24,319.46	27,788.15	29,459.00	31,573.68	31,264.40	31,652.54	262,735.11	177,264.89	59.71
017130	Insurance	14,000.00	587.87	240.12	587.89			365.88		1,205.00	11,892.87	14,879.63	(879.63)	106.28
017135	Engineering/Easements/Surveys	10,000.00							3,540.00			3,540.00	6,460.00	35.40
017138	Compliance/Operating Costs	3,000.00	56.59		134.04	136.00	54.99	143.00	1,003.78	255.00	346.50	2,129.90	870.10	71.00
017139	Audit/Accounting	16,000.00			66.00	2,000.00		750.00	300.00	6,370.00		9,486.00	6,514.00	59.29
017140	Legal Services	3,000.00				1,197.00	(735.00)	171.00	741.00	280.00	1,260.00	2,914.00	86.00	97.13
017141	Licenses/Dues/Certs/Memberships	1,500.00		45.00	492.50	140.00	195.00	642.00				1,514.50	(14.50)	100.97
017154	Security Forest Patrol	600.00					443.77					443.77	156.23	73.96
017155	County Rent/Lease Agreement	200.00									597.00	597.00	(397.00)	298.50
017156	Contractor Services	20,000.00		3,330.00	11,458.74	350.00	2,002.50	3,740.00				20,881.24	(881.24)	104.41
017157	Contracted Services	15,000.00	1,519.54	1,946.02	56.64	3,246.14	138.16	108.14	120.22	120.94	1,045.36	8,301.16	6,698.84	55.34
017158	System Repairs & Materials	45,000.00	2,525.44	1,382.87	3,064.64	2,751.66	6,092.36	4,484.50	1,796.18	1,276.37	2,468.68	25,842.70	19,157.30	57.43
017159	Building Maintenance	10,000.00				569.39		81.38		852.32		1,503.09	8,496.91	15.03
017164	Water Tests & Compliance	6,000.00	4,565.00		122.00		3,495.00		700.00			8,882.00	(2,882.00)	148.03
017166	Training & Education	3,500.00	170.00	55.00			212.00	63.58		725.00		1,225.58	2,274.42	35.02
017170	Electricity	55,000.00	3,909.39	4,213.04	4,680.33	4,645.82	3,739.25	3,406.72	3,372.38	3,583.36	3,622.86	35,173.15	19,826.85	63.95
017195	Shop Truck Maintenance	3,500.00			1,580.00			137.00		13.25		1,730.25	1,769.75	49.44
017196	Fuel	6,000.00	332.23	677.71	332.85	266.91	208.85	260.54	185.99	484.12	313.24	3,062.44	2,937.56	51.04
017215	Public Notices	1,000.00								52.70	195.30	248.00	752.00	24.80
017216	Budget & Election	1,000.00	379.44								100.60	480.04	519.96	48.00
017221	Board Training/Miscellaneous	3,500.00			155.00				1,517.66	776.90		2,449.56	1,050.44	69.99
017225	Communication	3,000.00	154.15	154.15	154.15	753.55	154.20	196.38	274.22	34.22	453.98	2,329.00	671.00	77.63
017247	Miscellaneous	500.00				281.48	85.64		176.21	149.99		693.32	(193.32)	138.66
017250	Office/Administration/Postage	20,000.00	816.32	3,505.89	850.58	227.89	2,289.21	2,371.93	213.79	389.21	753.23	11,418.05	8,581.95	57.09
017272	Refunds & Charge-offs	300.00	13.14									13.14	286.86	4.38
	Total Material & Services	241,600.00	15,029.11	15,549.80	23,735.36	16,565.84	18,375.93	16,922.05	13,941.43	16,568.38	23,049.62	159,737.52	81,862.48	66.12
017581	Capital Equipment & Tools	60,000.00		1,116.46	4,750.42	70.98				13,780.86		19,718.72	40,281.28	32.86
017582	Capital Engineering/Easements/Surveys	15,000.00								14,000.00		14,000.00	1,000.00	93.33

Account	Description	Budget	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	YTD	Variance	%
017587	Capital System Improvements & Repairs	175,000.00	24,981.70		33,917.81		14,532.25		51.21			73,482.97	101,517.03	41.99
	Total Capital Outlay	250,000.00	24,981.70	1,116.46	38,668.23	70.98	14,532.25		51.21	27,780.86		107,201.69	142,798.31	42.88
	TOTAL EXPENSES	931,600.00	66,715.76	43,739.25	82,155.00	40,956.28	60,696.33	46,381.05	45,566.32	75,613.64	54,702.16	529,674.32	1,461,274.32	
017800	CONTINGENCY	17,900.00											17,900.00	
	Total Contingency	17,900.00											17,900.00	
	* CURRENT YEAR SURPLUS		(21,282.60)	10,114.06	(49,939.36)	2,044.14	14,310.30	(1,769.01)	(4,258.37)	(35,996.08)	(16,324.24)	(116,249.55)	116,249.55	

Account	Description		Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	YTD
04-4008	Revenue-SDC LGIP Interest		346.45	347.80	337.86	348.27	327.70	326.26	320.69	282.04	310.19	2,947.26
04-4009	Revenue-SDC Charges		-	-	-	-	2,952.39	(2,952.39)	-	-	2,489.00	2,489.00

END-OF-MONTH ACCOUNT BALANCES

		Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026
SDC LGIP Account Balance		$ 89,024.25	$ 89,372.05	$ 89,709.91	$ 90,058.18	$ 90,385.88	$ 90,712.14	$ 91,032.83	$ 91,314.87	$ 91,625.06
SDC Checking Account Balance		$ 1,626.30	$ 1,626.30	$ 1,626.30	$ 1,626.30	$ 4,578.69	$ 1,626.30	$ 1,626.30	$ 1,626.30	$ 4,115.30
1st Security General Fund Account Balance		$ 73,261.77	$ 47,474.87	$ 44,539.03	$ 36,513.07	$ 27,594.62	$ 29,228.97	$ 26,822.35	$ 53,978.87	$ 38,103.31
LGIP Account Balance		$ 215,821.49	$ 216,664.57	$ 217,483.63	$ 193,230.89	$ 162,889.64	$ 195,597.22	$ 196,288.65	$ 158,852.83	$ 148,069.89

Delinquent Accounts Summary

4/30/2026 Board Meeting

24 Accounts

Past due account balances:	$ 1,948.65
Total account balances:	$ 2,730.47

2 Accounts scheduled for service suspension

20 Accounts past due

2 Accounts on repayment plans

* Delinquincies accurate as of 04/21/26

FAIRVIEW WATER DISTRICT
TILLAMOOK COUNTY, OREGON
JOB DESCRIPTION – GENERAL MANAGER

The General Manager is a full-time, salaried, at-will position exempt from overtime provisions of the Fair Labor Standards Act (FLSA). The position serves as the District's senior operational authority and lead water system operator, responsible for the safe, reliable, and compliant operation of the District's water system and physical assets.

The General Manager is accountable to the Board of Commissioners acting as a body and exercises independent professional judgment in carrying out assigned responsibilities in accordance with Board-adopted policies, goals, and applicable law.

This position is primarily operational and technical in nature, with administrative and reporting responsibilities necessary to support Board oversight and regulatory compliance. The role emphasizes field leadership, system integrity, emergency response, and operational continuity.

Minimum Qualifications:

- Oregon Health Authority (OHA) Water Distribution Level 2 Certification
- OHA Cross Connection Specialist certification
- Oregon utility locate certification
- Demonstrated experience in water system operations, maintenance, and regulatory compliance
- Ability to lead field operations, respond to emergencies, and coordinate system repairs
- Working knowledge of applicable state and federal drinking water regulations
- Ability to communicate effectively with staff, the Board, regulators, contractors, and the public
- Valid Oregon driver's license
- Flagger certification preferred

Hours of Work:

This is an exempt, supervisory position with executive-level responsibility for District Operations. The General Manager is expected to devote the time necessary to fulfill the responsibilities of the position, including attendance at meetings, emergency response, and availability outside normal business hours, as required by District operations. The typical work schedule generally aligns with weekday daytime operations (approximately 7:00 AM to 3:30 PM), with flexibility as operational needs require.

Primary Duties & Responsibilities:

<u>Water System Operations</u>

- Serves as the lead operator and superintendent of the District's water distribution system.
- Oversees day-to-day operation, maintenance, and repair of wells, reservoirs, mains, and related appurtenances.
- Responds to system emergencies, alarms, and service interruptions; and has authority to take immediate operational action necessary to protect public health, employee safety, and system integrity in emergency situations that are consistent with Board-adopted policies and applicable law.
- Coordinates routine maintenance, inspections, and corrective actions.
- Ensures compliance with OHA Drinking Water Services Program.

<u>Field Leadership & Project Execution</u>

- Performs and supervises field work as needed, including system repairs and maintenance.
- Coordinates with contractors, engineers, and vendors on capital and maintenance projects.

- Provides technical input on system improvements and operational priorities.
- Maintains operational readiness for emergencies and disaster response.

Regulatory Compliance & Reporting

- Ensures operational compliance with applicable federal, state, and local regulations.
- Coordinates required testing, reporting, and inspections.
- Serves as the District's primary operational contact with regulatory agencies, including OHA drinking water requirements.

Board Support & Operational Coordination

- Attends Board meetings and provides operational updates and recommendations.
- Supports Board decision-making through technical analysis and field-based insight.
- Implement Board-adopted policies and operational directives issued through formal Board action.
- Attends public meetings of outside agencies when such participation is in the best interest of the District.

Staff Oversight & Safety

- Provides day-to-day direction and oversight of staff.
- Supports training, safety practices, and certification requirements.
- Promotes compliance with applicable safety standards and safe work practices.
- Conducts staff performance evaluations and administers employee discipline, as necessary, consistent with District policies and applicable law.

Administrative Coverage & Continuity

- In the absence of the Office Manager, the General Manager is expected to provide interim administrative coverage necessary to maintain essential District functions, regulatory compliance, and continuity of operations.
- Such coverage is temporary in nature and does not alter the primary operational focus of the position.
- Any questions regarding the scope or duration of such interim coverage shall be resolved by the Board of Commissioners, consistent with Board policy.
- During temporary absences, the General Manager may recommend an operational point of contact for continuity purposes, consistent with Board policy.

Other Duties

- Performs additional operational duties as assigned by the Board acting as a body through formal action, consistent with the operational nature of the position and the Board's policy-level role.

Minimum Physical Requirements:

- Ability to communicate effectively in English, both orally and in writing.
- Ability to sit, stand, and walk for extended periods while performing office and field-related duties.
- Ability to traverse uneven terrain and work in outdoor environments in varying weather conditions.
- Ability to bend, stoop, kneel, crouch, reach, and climb as necessary to inspect, operate, or maintain water system facilities and equipment.
- Ability to lift, carry, and move tools, equipment, or materials weighing up to approximately 40-50 pounds, occasionally, as required for field operations or emergency response.
- Ability to operate motor vehicles and specialized equipment associated with water system operations in daylight, after dark, and during inclement weather.
- Ability to respond physically and mentally to emergency situations, including extended or irregular work hours when necessary.

Job Conditions:

The General Manager works in a combination of office and field environments. The position involves regular outdoor work on the water distribution system and may require exposure to inclement weather, uneven terrain, noise, dust, confined spaces, and other conditions typical of water system operations.

- Work may include after-hours, early morning, weekend, or extended hours in response to emergencies, system failures, or operational needs.
- The position is on-call and requires the ability to respond to urgent operational issues affecting public health, safety, or system integrity.
- Work may involve high-pressure decision-making, including emergency response, regulatory compliance, and coordination with contractors or regulatory agencies.
- This position may require travel within the District service area and occasional in-state travel for training, meetings, inspections, or coordination with regulatory agencies.
- The General Manager may be required to work independently in the field and to exercise sound judgment.
- Operation of specialized equipment, including water system and construction equipment may be required.
- This position requires independent judgement and decision making in situations where immediate supervisory or Board direction is not available.

Employment is contingent upon successful completion of a background check, consistent with District policy and applicable law.

FAIRVIEW WATER DISTRICT
<u>RESOLUTION NO. 2026-02</u>

A RESOLUTION OPTING TO LIMIT LIABILITY FOR CERTAIN CLAIMS ARISING FROM THE USE OF PUBLIC TRAILS OR STRUCTURES IN PUBLIC EASEMENTS AND UNIMPROVED RIGHTS-OF-WAY PURSUANT TO ORS 105.668.

WHEREAS, Fairview Water District, a domestic water supply district organized under ORS Chapter 264 (the “District”), may construct and maintain trails and other structures, both on District-owned property and in public easements or unimproved rights-of-way, within the District’s geographic boundaries in and around Tillamook County, Oregon; and

WHEREAS, the District encourages (1) property owners to grant easements for public trail use and (2) private groups and their volunteers to construct and maintain trails and other structures in public easements or unimproved rights-of-way; and

WHEREAS, ORS 105.672 to 105.688 provides certain immunities from liability for owners of publicly or privately owned land (as well as to holders of easements on such land) who allow such land to be used, without charge, for recreational purposes; and

WHEREAS, ORS 105.668(2) provides that a personal injury or property damage resulting from use of a trail that is in a public easement or in an unimproved right-of-way, or from use of structures in the public easement or unimproved right-of-way, by a user on foot, on an equine or on a bicycle or other nonmotorized vehicle or conveyance does not give rise to a private claim or right of action based on negligence against: (1) a city with a population of 500,000 or more, (2) the officers, employees or agents of the city to the extent the officers, employees or agents are entitled to defense and indemnification under ORS 30.285, (3) the owner of land abutting the public easement or unimproved right-of-way in the city, or (4) a nonprofit corporation and its volunteers for the construction and maintenance of the trail or the structures in a public easement or unimproved right-of-way; and

WHEREAS, ORS 105.668(3) allows cities with a population of less than 500,000 to opt into the trail use immunity by ordinance, resolution, rule, order or other regulation; and

WHEREAS, 2025 Oregon Laws Chapter 220, Section 1 (SB 179) amended ORS 105.668(3) to extend these opt-in rights to any “Local government,” as defined in ORS 174.116, including any domestic water supply district organized under ORS Chapter 264; and

WHEREAS, the public use of the District’s trails for recreational purposes includes, but is not limited to, outdoor activities such as hunting, fishing, swimming, boating, camping, or volunteering for public purpose projects, as well as for non-recreational purposes (e.g., commuting); and

WHEREAS, the District believes it is important to protect and support the activities of the District, property owners, community groups, and volunteers that make trails available for public use; and

WHEREAS, the District desires to adopt the immunity from liability provided under ORS 105.668 to further the public interest by protecting and supporting the efforts and activities of the District, property owners, and other parties who construct and maintain trails and make such trails, as well as unimproved rights-of-way, available for public use.

NOW, THEREFORE, the Board of Commissioners of the District resolves as follows:

Findings. The above-stated findings in this Resolution No. 2026-02 (this "Resolution") are hereby adopted.

Limitation on Liability. Pursuant to ORS 105.668(3), the District hereby adopts the limitation on liability provided under ORS 105.668(2). Without otherwise limiting the generality of the immediately preceding sentence, a personal injury or property damage resulting from use of a trail that is in a public easement or in an unimproved right-of-way, or from use of structures in the public easement or unimproved right-of-way, by a user on foot, on equine or on a bicycle or other nonmotorized vehicle or conveyance does not give rise to a private claim or right of action based on negligence against any of the following: (a) the District; (b) the officers, employees or agents of the District to the extent the officers, employees or agents are entitled to defense and indemnification under ORS 30.285; (c) the owner of land abutting the public easement or unimproved right-of-way in the District; or (d) a nonprofit corporation and its volunteers for the construction and maintenance of the trail or the structures in a public easement or unimproved right-of-way. For purposes of this Resolution, "structures" means improvements in a trail, including, but not limited to, stairs and bridges, that are accessible by a user on foot, on equine or on a bicycle or other nonmotorized vehicle or conveyance; "unimproved right-of-way" means a platted or dedicated public right-of-way over which a street, road or highway has not been constructed to the standards and specifications of the local government with jurisdiction over the public right-of-way and for which the local government has not expressly accepted responsibility for maintenance.

Exceptions. This Resolution does not grant immunity from liability: (a) except as provided in Section 2(b), to a person that receives compensation for providing assistance, services or advice in relation to conduct that leads to personal injury or property damage; (b) for personal injury or property damage resulting from gross negligence or reckless, wanton, or intentional misconduct; or (c) for an activity for which the actor is strictly liable without regard to fault.

Severability; Effective Date. For purposes of this Resolution, the singular includes the plural, and the plural includes the singular; the word "or" is not exclusive, and the words "include," "includes," and "including" are not limiting. Any reference to a particular law, statute, rule, regulation, code, or ordinance includes the law, statute, rule, regulation, code, or ordinance as now in force and hereafter amended. The provisions of this Resolution are severable. If any section, subsection, sentence, clause, or portion of this Resolution is for any reason held invalid, unenforceable, or unconstitutional, such invalid, unenforceable, or unconstitutional section, subsection, sentence, clause, or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, or constitutionality of the remaining portion of this Resolution. This Resolution will be in full force and effect from and after its approval and adoption.

ADOPTED by the Fairview Water District Board of Commissioners on this **30th day of April, 2026**.

John Casteel, Board Position 1	Date
Dustin Burdick, Board Position 2	Date
Boyd Rulifson, Board Position 3	Date
Gary Bond, Board Position 4	Date
James Huffman, Board Position 5	Date

FAIRVIEW WATER DISTRICT
RESOLUTION 2026-XX

A RESOLUTION ESTABLISHING GUIDELINES FOR REIMBURSEMENT FOR WATER LEAKS

WHEREAS, good fiduciary responsibility requires documented policies and procedures; and

WHEREAS, Fairview Water District Ordinance 2000-1 states *"No reduction of amounts billed will be made by reason of loss of water due to waste caused by leakage or equipment of the customers unless authorized by the Water District upon written application therefor having been made by the customer";* and

WHEREAS, fair treatment of customers is best served by having a consistent policy;

NOW THEREFORE BE IT RESOLVED that the following policy for water leak adjustment is adopted:

All water lines and plumbing on the outlet side of the water meter are considered "private" and are the responsibility of the customer. However, the Fairview Water District recognizes leaks in water lines, plumbing, and water related equipment occur despite proper maintenance and diligence on the part of the customer. For purposes of this policy, the "customer" refers to the account holder and/or property owner responsible for the service.

In order to provide financial relief to customers who experience sizeable water leaks, the Fairview Water District will consider granting an adjustment to the customer's water use portion of the utility bill under the following circumstances:

1. Eligibility Requirements

1.1. The customer must have established a water use history at the residence for at least one year before qualifying for leak adjustment consideration.

1.2. The leak did not result from a willful or negligent act on the part of the customer.

1.3. The customer can demonstrate that the leak was repaired within 30 days of discovery.

1.4. The customer's account is current, unless prior arrangements have been made, and the utility bill must continue to be paid for all charges other than the water use (consumption) portion, in order to avoid late fees and/or service shut-off.

1.5. The customer has not received a leak adjustment within the past 18 months (from credit issue date).

1.6. The customer completes and submits a "Credit for Leak Adjustment Request Form," along with proof of the repair, within 60 days of making the repair. Forms can be obtained online on our website at fairviewwater.com or in person at 403 Marolf Road in Tillamook, Oregon.

1.7. By submitting the "Credit for Leak Adjustment Request Form," the applicant agrees that the information on the form is public so the Board can evaluate the claim in open session without redactions.

1.8. Completion of the Leak Adjustment Request Form does not guarantee an adjustment will be made, all requests are evaluated on an individual basis upon submission of the Leak Adjustment Request Form to the Fairview Water District Board of Commissioners.

2. Adjustment Limitations

The Water District:

2.1. Will only issue credit for actual water consumption calculated as leak portion of utility bill.

2.2. Will only issue credit to the person listed on the active utility bill account.

2.3. Will not issue credit less than $20

2.4. Will not issue credit in excess of $500.

2.5. Will not issue credit for leaks lacking verifiable proof of repair (e.g., plumbing invoice, receipts, etc.), and the Water District reserves the right to inspect leak repair upon request.

2.6. Will not issue credit for more than three billing periods of verified leak consumption.

2.7. Assumes no responsibility for damage, repairs or inspections necessitated by leaks.

3. Credit for Leak Adjustment Calculations

3.1. Leak Credit Rate: Credits are based on usage for the same period in the previous year. This “normal usage” is deducted from the total consumption used during the time of the leak, and then up to a 50% credit is applied to the remaining usage portion. The credit is ONLY applied to the water usage portion – not to any other utility bill charges.

FAIRVIEW WATER DISTRICT
CREDIT FOR LEAK ADJUSTMENT REQUEST FORM

The Fairview Water District has a practice of issuing partial credits for leaks that are repaired in a timely manner. See the Fairview Water District Leak Adjustment Policy at www.fairviewwater.com

Name: ______________________________________ Account No.: _________________

Service Address: ____

Cause of Leak (Explain): ____

____

____

____

Date Leak Found: ________________ Date Leak Repaired: _______________________

By signing the form, I acknowledge that I have read the leak adjustment policy and the information below is true and correct to the best of my knowledge. Failure to meet the requirements will result in my request being denied.

1. I have established a water use history at the residence for at least one year.
2. The leak did not result from a willful or negligent act on the part of the customer.
3. I can demonstrate the leak was repaired within 30 days of discovery.
4. The account is current, unless prior arrangements have been made, and the utility bill must continue to be paid for all charges other than the water use (consumption) portion, in order to avoid service shut-off.
5. I have NOT received a leak adjustment within the past 18 months (from credit issue date).
   I agree to have information on this form publicly available for review by the Board of Commissioners.

Signature: ____________________________________ Date: _____________________

- ∗ Proof of repair is required. This may include plumber invoices, receipts for parts, or other documentation showing that the repair was completed. Photos may also be provided.

Return this form to:

Fairview Water District Email: **office@fairviewwater.com**

403 Marolf Rd.

Tillamook, OR 97141

ADOPTED by the Fairview Water District Board of Commissioners on this ____ day of _____, 2026.

____ ___________________________

JOHN CASTEEL, BOARD MEMBER POSITION 1 DATE

____ ___________________________

DUSTIN BURDICK, BOARD MEMBER POSITION 2 DATE

____ ___________________________

BOYD RULIFSON, BOARD MEMBER POSITION 3 DATE

____ ___________________________

GARY BOND, BOARD MEMBER POSITION 4 DATE

____ ___________________________

JAMES HUFFMAN, BOARD MEMBER POSITION 5 DATE

Fairview Water District
Memo to the Board of Commissioners
From: Melissa Rondeau, Office Manager
Date: April 23, 2026
Subject: Distribution of Board Packets

Historically, the District has delivered printed Board packets to the homes of individual Board members. In addition to this delivery, all Board members receive electronic copies through their District email accounts.

Hand delivery of Board packets is not considered best practice, as it is neither practical nor secure and does not represent an efficient use of staff time or District resources. Packets left unsecured at residences can be exposed to weather, loss, or unauthorized access. While private "controlled" information is redacted, which is standard practice under Oregon law, there are still times when sensitive information may be included, and leaving those materials unsecured creates an avoidable risk.

For those who prefer paper copies, the following options are available:

1. Printed packets can be made available for pickup at the District office, with a system created for after-hours pickup.
2. If the Board prefers continued delivery, secure lock boxes may be purchased by the District and installed at individual residences.
3. Packets can be mailed, with the understanding that receipt times will vary.

Reducing risk to the District is a fundamental part of my role, and this is an area where we can make direct improvement together. I look forward to this discussion and hearing your thoughts on the matter.

MR