

**FAIRVIEW WATER DISTRICT
BOARD OF COMMISSIONERS MEETING
APRIL 24, 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 6:00 PM

A. Call to Order

- I. Board Chair John Casteel called the meeting to order at 6:29 PM.

B. Roll Call

- I. Board Members Present
 - a) John Casteel
 - b) Boyd Rulifson
 - c) Gary Bond
- II. Board Members Absent
 - a) Dustin Burdick
- III. Visitors Present
 - a) No visitors were present
- IV. Staff Present
 - a) Michael Ostensen, General Manager
 - b) Melissa Rondeau, Office Manager

C. Approval of the March 27, 2025 Board of Commissioners Meeting Minutes

- I. *Motion by Boyd Rulifson and seconded by Gary Bond to approve the minutes of the Fairview Water District Board of Commissioners meeting held on March 24, 2025.*
 - a) *Motion passed 3-0.*

D. Public Comment

- I. No public comment was heard.

E. Financial Report

- I. Office Manager's Report
 - a) No questions were raised regarding the Office Manager's report, which was included in the Board packet.
- II. Approval of the bills for March
 - a) *Motion by Gary Bond and seconded by Boyd Rulifson to approve the bills for March 2025 as presented.*
 - i. *Motion passed 3-0.*
- III. Current Financial Status
 - a) The Board reviewed and discussed the District's budget versus actuals financial report. Michael Ostensen noted that electricity costs were lower than anticipated to date due to reduced pumping and that projected costs for the fiscal year 2025-26 are expected to be slightly higher.

IV. Delinquent Accounts

- a) All delinquent accounts were reviewed, and Melissa Rondeau provided a status update.

V. FY 23/24 Audit

- a) Joe Cassidy of Singer Lewak was scheduled to attend in person to finalize the FY 23/24 audit of Fairview Water District on April 10, 2025. Unfortunately, due to circumstance, he felt that it was not the right time to move forward at the time:
 - i. At the start of the FY 23/24 audit, it was discovered that the balances provided in mid-2024 by Singer Lewak for the FY 22/23 audit had not been adjusted in the district's accounting software. Because the accounting software no longer allows adjustments for FY 22/23, the correction must be reflected as a FY 23/24 journal entry adjustment. While identifying the amounts needing adjustment, both Melissa and Joe discovered transactions that should have been recorded in the FY 22/23 audit balances may have actually been pushed into FY 23/24 by the accounting software for an unknown reason, leading to potential errors in the balances provided by the auditors for the FY 22/23 audit. Singer Lewak is working to provide the District with a method for performing a series of adjustments to resolve the issue prior to completing the FY 23/24 audit.

F. General Manager Report

- I. General Manager Michael Ostensen presented items of his report, which was included in the Board packet.
 - a) Cascade Water Works scoped Well 1 on April 22 and provided the District with a video of the results. Michael is waiting for the electrical wire to be delivered so that he can move forward with the installation of the pump and drop pipe into Well 1.
 - b) Staff will communicate with Herb Davis to set up a date to mow the grass on the property at the corner of Brookfield Avenue and McCormick Loop Road.
 - c) Some concern has been raised pertaining to Well 4, as the well has been showing a reduced flow of water. Michael does not know the reason for this loss and would like to scope the well to try and discover the cause.
 - d) Continued discussion was held regarding the water leak at 3rd Street and Wilson River Loop, and the future replacement and abandonment of the water line on 3rd Street west from the Fairgrounds to Tillamook Bay Community College and south to Well 3.
 - e) Jerry Smith began work as a Level 1 Utility Worker with the District on April 23.
 - f) Cascade Water Works scoped the Wilson Well and will provide us with a quote for blasting and cleaning.
 - i. John Casteel considers the possibility of renumbering the District wells, and Gary Bond recommends reviewing water rights prior to doing so.
 - ii. Michael comments that the Wilson River well is still listed under Wilson River Water District and not under Fairview Water District. Melissa has communicated with the County Clerk's office to begin the process of correcting this error.
 - g) Michael will contact Bill at A1 Painting for an update on the timeline for washing and painting the reservoir.

G. Old Business

- I. Well 1 Project Update
 - a) This item was addressed previously in the General Manager's Report.

- II. Well 3 Project Update
 - a) This item was addressed previously in the General Manager's Report.
- III. Fairview Water District/Hunt Water District Merger
 - a) Northwest Local Government Legal Group provided Melissa with a list of steps and a timeline in which to complete the merger of Hunt Water District into Fairview Water District by November 2025.
 - b) The Board instructs staff to investigate the possibility of annexing Hunt Water District and to contact its members to determine their willingness to do so. Melissa will obtain a list of all property owners and their addresses, as well as a list of all Hunt property. Once this information is gathered, letters will be sent to all Hunt property owners outlining the intent to annex and inquire about any concerns or questions. Additionally, Melissa will communicate with the Tillamook County Clerk to discuss imposing a tax on Hunt Water District constituents and annexation in general. Fairview staff will consult Tillamook County's attorney about any items they can advise on.
- IV. Rate study
 - a) Melissa is continuing to work with Tim Tice at OAWU as they begin to close out the water rate study that was begun in 2024.

H. New Business

- I. May 2025 Budget Hearing/Board Meeting
 - a) Gary Bond will not be able to attend the regular Board of Commissioners meeting on May 29, 2025 and asks the Board to consider changing the date of the meeting.
 - b) *Board decision to change the regular Board of Commissioners meeting date to 5:00 PM on Tuesday, May 27, 2025 at the district office.*
- II. 10050 Trask River road – Water Bill Reduction Request form
 - a) *Motion by Boyd Rulifson and seconded by John Casteel to credit the water utility account at 10050 Trask River Road by one-half of the highest month of consumption on file.*
 - i. *Motion passed 3-0.*
- III. 2025 SDIS Health Insurance Annual Renewal
 - a) *Motion by Gary Bond and seconded by Boyd Rulifson to have staff prove that the insurance policy is applicable with our 4FTE status in spite of only 2FTE receiving insurance, and if so, approve the 2025 SDIS Health Insurance Annual Renewal as written for the next year.*
 - i. *Motion passed 3-0.*
- IV. 2024 Consumer Confidence Report
 - a) The 2024 Fairview Water District Consumer Confidence Report has been completed, and Melissa will distribute it along with the end of May billing and a District update letter.

I. Non-Agenda Items

- I. There were no non-agenda items.

J. Adjournment

- I. *Motion by Gary Bond and seconded by Boyd Rulifson to adjourn the meeting at 7:07 PM.*
 - a) *Motion passed 3-0.*



FAIRVIEW WATER DISTRICT

403 Marolf Loop Road
Tillamook, OR. 97141

(503) 842-4333
www.fairviewwater.com

OFFICE MANAGER'S REPORT FOR APRIL 24, 2025

Happy April! Some of the items that I will report on have their own topics on the agenda, so I will only briefly discuss them here.

We had scheduled a visit from Singer Lewak during the second week of April to finalize the FY23/24 audit; however, their visit has been delayed until April 21st due to an error identified in ABS's reporting system. Specifically, it was discovered that ABS cannot isolate transactions into one period of reckoning, causing them to migrate into other periods and potentially into other fiscal years. As of this writing, I am working to isolate all transactions to ensure the most accurate accounting for FY23/24.

I have been in contact with our attorney regarding the Fairview Water District/Hunt Water District merger. Included in your packets is the timeline she has proposed for an August election date. Instead, I recommend aiming for the November election to allow more time for preparation. In addition, and following an inquiry by John, I have further questioned our attorney regarding the potential annexation of Hunt into Fairview. I have included her response in your packets and welcome a discussion on this matter.

The 2024 Consumer Confidence Report (CCR) has been completed and will be mailed along with the June 2025 billings. If time permits, I would like to include a letter with the CCR and billing statement to inform our constituents about the district's activities over the past year. I think it would be a nice touch.

One item of interest is the “re”discovery that the district operates under two separate Oregon Revised Statutes (ORS). We must operate under ORS Chapter 264 *Domestic Water Supply Districts* first and then if a function is not included in ORS 264, then we must operate under ORS Chapter 198 *Special Districts Generally*. I strongly advise becoming familiar with ORS 264 and ORS 198, especially as we move towards a merger or annexation. Both statutes are easily accessible via Google by searching for Oregon ORS 264 or Oregon ORS 198.

Michael has approved the purchase of two surprisingly inexpensive signs to mount over the office window, making our district name and address clearly labeled and visible from Marolf Loop Road. Additionally, PSI of Bay City has been contacted to provide a mock-up of a new sign for the north side of the building on Brookfield Avenue. This is in response to feedback that people have difficulty finding our office, as well as the need to update our existing signage.

Regarding signage: new blue facility signs have been installed at most of our locations for improved visibility of Fairview facilities. If you haven't seen them yet, I hope you get a chance to do so; they look very nice.

Melissa Rondeau, Office Manager
Fairview Water District
April 18, 2025



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General Manager's Report

APRIL 18, 2025

I am pleased to report that the cleaning of Well 1 has been successfully completed without any surprises or complications. With the absolute depth of the well now determined, we have ordered the power cable. Once received by EC Electric, I will coordinate with Burden's Towing to arrange for their crane to assist in installing the new pump assembly. We anticipate having Well 1 operational by the end of the month.

We have completed Synthetic Organic Compound (SOC) and Radiation testing samples for Well 4. During sampling, I noticed unusual production figures; the flow rate was approximately 30 gallons per minute less than previous readings, and the drawdown was around 70 feet, which is slightly off for this time of year. While these numbers are not particularly alarming given Well 4's limited capacity, I recommend scheduling a well scope next year to assess the condition of the casing. Speaking of Well 4, the concrete pour around the well house is progressing well.

Supplies necessary to repair the leak at the intersection of 3rd Street and Wilson River Loop have been ordered. Ryan Vandecoevering of Advanced Excavation and I have coordinated the details for a prompt repair. Once the remaining items arrive, he will be available to begin the work.

By the time you read this, our new hire should have commenced work. We are excited to bring Jerry on board and look forward to working with him.

Jeff and I successfully used the fusion machine that we purchased on Amazon for the construction of the interior piping at Well 1. By purchasing the machine and using a pipe shaver to mill the pipe to metric dimensions, we were able to save several hundred dollars compared to renting the equipment. This allows us to perform butt fusion on pipes ranging from 2" to 6".

We are exploring options to mow the field adjacent to Well 4 once conditions are more suitable.

A new service line has been installed at 7600 Fairview Road, located on the farm of the same name. Richard Obrist experienced a minor leak on his side of the meter, and our shut-off valve was inoperable. We replaced the entire service line, including a new tap.

I am currently awaiting a quote from Cascade regarding the cost of cleaning out the Wilson Well. If I do not receive their response by next week, I will follow up with them.

We plan to clean and inspect the reservoir, likely at the beginning of summer. We are still waiting for quotes to finalize our decision.

Lastly, I encountered Bill from AAA Painting and reminded him of our interest in having the exterior of the reservoir cleaned and possibly painted. He informed me that he would visit sometime next week.

Completed on April 18, 2025
Michael Ostensen, General Manager