

**FAIRVIEW WATER DISTRICT  
BOARD OF COMMISSIONERS MEETING MINUTES  
REGULAR SESSION | JUNE 26, 2025 | 5:00 PM  
403 MAROLF LOOP ROAD, TILLAMOOK, OREGON**

**CALL TO ORDER**

Board Chair John Casteel called the meeting to order at 5:05 PM.

**ROLL CALL**

Board Members Present: John Casteel, Boyd Rulifson, and Gary Bond

Board Members Absent: Dustin Burdick

Visitors Present: Mark Sybouts, District Resident

Staff Present: General Manager Michael Ostensen and Office Manager Melissa Rondeau

**APPROVAL OF MINUTES – MAY 27, 2025 BOARD MEETING**

***Motion by Boyd Rulifson and seconded by Gary Bond, to approve the minutes of the May 27, 2025 Board of Commissioners meeting minutes.***

***Vote:*** Aye – John Casteel, Boyd Rulifson, Gary Bond

Nay – None

Abstained – None

*Motion passed 3-0*

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

No public comment was received.

**FINANCIAL REPORT**

Office Manager's Report:

The fiscal year 2023-2024 audit is nearly complete. Melissa will meet with the District's auditor, Joe Cassidy, and his supervisor, in what is hoped to be the final meeting before the audit is finalized. All issues related to the fiscal year 2022-2023 audit have been resolved, and the auditors are proceeding. Our final task is to reconcile approximately \$40,000 in unaccounted-for funds within the accounting software. These funds are believed to have been misapplied or left unapplied during the period when Michael was handling the bookkeeping.

Resolution 2025-01, adopting the fiscal year 2025-2026 budget was filed with the county on June 2, 2025. There was one small typographical error in a date that was corrected by Melissa as it did not alter the intent or substance of the resolution, and no Board actions were required.

Hydrocorp, our backflow management provider, reached out to inquire whether the District intends to renew its contract with them for 2026. To date, and since September of 2024, Fairview Water District has paid Hydrocorp just over \$7,000 and has received zero deliverables. Staff will be meeting with the Hydrocorp sales representative after Michael returns from vacation, and Melissa is prepared to draft a breach of contract notice for Board review prior to sending it to Hydrocorp.

After much back-and-forth communication with the County, the property on Blum Lane that houses the Wilson Well and a shop, will now be correctly listed on tax rolls as property of Fairview Water District rather than Wilson River Water District.

OAWU is planning to present their findings to the Board in either August or September as their schedules allow.

Camy VonSeggern, Director of the Tillamook County Fairgrounds, recently reached out to District staff to offer support for the Well 3 water line extension project, which staff had originally hoped to construct across the fairgrounds parking area. The District previously invested considerable funds in an engineered survey and project plan after receiving verbal support from both the Fairgrounds Director and the Fair Board during a meeting early in 2024. However, following the completion and presentation of the survey, the Fairgrounds' position shifted, and the District encountered unexpected resistance to the project. Communication ceased, and based on the tone of prior interactions, staff assumed the matter was no longer open for discussion. This renewed outreach may provide an opportunity to re-engage in a more productive dialogue

After six months of attempting to communicate with PERS, Melissa has successfully enrolled and will be catching up on missed deductions over the coming months.

Many foundational tasks remain incomplete within the District and throughout the water system. These tasks include simple yet time consuming duties such as organization, inventory, filing, cleaning, etc. Melissa requested that the Board consider suspending all new major projects to allow staff time to address these critical needs.

If weather permits, Melissa hopes to organize a volunteer painting day to repaint the exterior of the District office.

#### Approval of May 2025 Accounts Payable:

***Motion by John Casteel and seconded by Boyd Rulifson, to approve all payments for May 2025.***

***Vote:*** Aye – John Casteel, Boyd Rulifson, Gary Bond

Nay – None

Abstained – None

*Motion passed 3-0*

#### Review of Budget v. Actuals Report:

The Board reviewed and discussed the District's current financial status.

***Motion by Gary Bond and seconded by Boyd Rulifson to adopt Resolution 2025-02, A Resolution of the Board of Commissioners of the Fairview Water District of Tillamook, Oregon, Authorizing a Transfer of Appropriations from the Contingency Appropriation to the Capital Improvement and Repairs Appropriation in the General Fund for Fiscal Year 2024-2025, which authorizes the transfer of \$35,000 within the General Fund as specified.***

***Vote:*** Aye – John Casteel, Boyd Rulifson, Gary Bond

Nay – None

Abstained – None

*Motion passed 3-0*

### Delinquent Accounts:

All delinquent accounts were reviewed by the Board. Account 0311600, located at 150 Sunset Lane, has been placed on a formal repayment plan. Additionally, Melissa has initiated communication with the customer associated with account 0811010, located at 10050 Trask River Road, to complete the necessary paperwork for enrollment in a similar repayment plan. Follow-up is ongoing to make sure that the agreements are adhered to.

### Fiscal Year 2023/2024 Audit:

This item was previously discussed in the Office Manager's Report.

## **GENERAL MANAGER'S REPORT**

Ryan from EC Electric has the final part needed for Well 1 on his truck and is waiting for time in his schedule to complete the installation.

A1 Painting recently completed painting the reservoir roof. To ensure no overspray entered the water system, staff monitored the reservoir's discharge during the project. The original coating option was estimated at \$40,000 for materials alone, not including labor and application. The district selected a stainless coating alternative for the roof, which is expected to cost approximately \$24,000. Michael will replace the corroded vent cap and install new screening in-house. The sight-glass on the reservoir is currently inoperable and staff will seek a solution for its replacement. Once the variable frequency drives (VFDs) are installed at Wells 1 and 3, staff will be able to fully empty the reservoir and perform an interior inspection. Various internal tank coating options were also discussed.

Gary Bond inquires about the VFD installation timeline: The VFD for Well 1 still needs to be purchased, while Well 3 is nearly ready. To finalize Well 3, a 10" valve must be buried at the end of the line and connected, after which the pump can be swapped to the new line.

Staff have been relocating materials from the district office to more practical storage areas. Cleanup efforts continue and Michael plans to secure a container for the disposal of unwanted items. In the future staff hope to scrape and re-gravel the parking area that surrounds the office.

The poly tanks removed from the Marvin Rd./Skyline Dr. area are no longer needed and staff are considering asking the Board to declare them as surplus property for disposal via public auction.

Several large leaks were discovered and repaired this month. A large leak was discovered at Randall Corner whereas grass penetrated a gasket, causing a leak. Staff replaced the gasket while the system was not pressurized so that the gasket would have less of a chance of being penetrated by errant roots. Another large leak was discovered at Hall Slough (near Werner Rd. and Goodspeed Rd.) Initially mistaken for a natural spring due to the heavy flow of water, shutting off the mainline stopped the flow and confirmed the presence of a leak. After repair, all residents were notified and instructed to flush their lines thoroughly and boil water until a special test can be sent to Alexin Laboratories within the week.

While parked on the side of 101 south at the rental center in Tillamook, the District's truck was struck by a Tillamook School District, resulting in damage to the driver's side mirror. Melissa is in contact with the School District to resolve the matter through an insurance claim or reimbursement for the repair.

## **OLD BUSINESS**

### Well 1 Project Update:

This item was previously discussed during the General Manager's Report.

### Well 3 Project Update:

This item was previously discussed during the General Manager's Report.

### Fairview Water District/Hunt Water District Merger:

There is no new update to report on this item. Melissa will continue reaching out to Hunt Water District Board members in an effort to obtain assistance with identifying the physical location of each service meter.

### Water Rate Study:

This item was previously discussed during the Office Manager's Report.

## **NEW BUSINESS**

### May 20, 2025 Special Election Results:

During the May 20, 2025 special election Gary Bond was re-elected to Board Position 4 and Jim Huffman was elected to Board Position 5. Dustin Burdick received the highest number of write-in votes for Board Position 2 and the District is waiting to hear if he will officially accept the position.

### FY 2025/2026 Project List:

John Casteel requested a comprehensive project list including cost estimates and projected completion dates. He also recommended that staff arrange for the Wilson Well to be scoped and inspected. Mike concurred with the recommendation and has already initiated contact with Cascade Waterworks to perform the inspection. At this time, it is believed that sand removal will be necessary, as the well pump appears to be resting on accumulated silt at the bottom of the shaft. Boyd Rulifson expressed concern regarding the condition of the pump. Staff will ascertain the condition of the well and its components when it is inspected.

### Blum Lane Property Ownership:

This item was previously discussed during the Office Manager's Report.

### 6420 Westwood Court Water Pressure:

Customer Jake Rzuczek of 6420 Westwood Court submitted an email expressing ongoing concerns about his water pressure. Previous discussions between Mike and the Board included the possibility of installing a pressure gauge at the meter to monitor pressure levels, but Michael has not yet had the opportunity to complete this task. Boyd Rulifson requested that Michael consult with the individual who originally installed the service line to gain further insight into the system's configuration at that location. Michael is also considering the installation of a new, separate

service line for Mr. Rzuczek, as it appears he may be sharing a line with a neighboring property despite having paid a separate System Development Charge (SDC). There is concern that the original service was not properly set up.

Request for Water from Ben Ritch-Smith, TFCC:

Ben Ritch-Smith of the Tillamook Family Counseling Center submitted a letter to the Board requesting that an individual who owns property on Trask River Road, whose direct access to the river was recently cut off, be allowed to draw water for personal use from the District's system at no cost. The Board directed Melissa to inform Mr. Ritch-Smith that this is not a service offered by Fairview Water District.

SDAO Board of Directors Training:

SDAO is offering a Board of Directors and Management Staff Training session led by Eileen Eakins, which will provide "a comprehensive overview of laws and regulations governing Oregon's special districts and the public officials that represent them." Melissa expressed interest in attending, and encouraged members of the Board to participate as well.

**BOARD PRESENTATIONS:**

- Boyd Rulifson inquired about the potential rejuvenation of the old Well 2, located in the Tillamook County Public Works shop yard. The well had previously been abandoned due to bacterial contamination. Staff will look into the feasibility of reactivating the well.
- Boyd also informed the Board that Budget Committee member Walt Beeler is currently very ill.
- John Casteel requested an update on the leak located near the entrance to the Fairgrounds at Wilson River Loop and 3rd Street. Michael and Jeff have fused 300 feet of HDPE, which is currently staged along Wilson River Loop. The line will be installed once contractors are available to complete the road bore.

**STAFF CONCERNS**

No staff concerns were received.

**ADJOURNMENT**

***Motion by Gary Bond and seconded by Boyd Rulifson, to adjourn the meeting at 6:59 PM.***

***Vote:*** Aye – John Casteel, Boyd Rulifson, Gary Bond

Nay – None

Abstain – None

*Motion passed 3-0*



# FAIRVIEW WATER DISTRICT

403 Marolf Loop Road  
Tillamook, OR. 97141

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## OFFICE MANAGER'S REPORT FOR JUNE 26, 2025

Last month brought some challenges related to the FY 2023/2024 audit, as progress was stalled by an issue discovered in the FY 2022/2023 audit. I'm pleased to report that, after further discussion with Joe Cassidy at SingerLewak, we reached a solution for the FY 2022/2023 audit issues and have created a plan for completing the FY 2023/2024 audit. One remaining task involves reconciling approximately \$40,000 in funds that appear to have been incorrectly recorded in the ABS accounting software during the early part of the fiscal year. To be clear, there is no indication of wrongdoing or misappropriation; the funds simply need to be properly entered into ABS. This item has taken the majority of my time over the last month and I suspect will continue to do so until completed.

Resolution 2025-01, adopting the FY 2025/2026 budget, was filed with the county on June 2, 2025. I would like to inform the Board that a minor typographical error was discovered on the resolution that involved an incorrect date. Because a correction would not alter the intent or substance of the document, I was able to make the change and I am notifying the Board as required.

Our backflow management provider, Hydrocorp, has received our list of backflow clients and is currently developing a plan for service implementation. There are no further updates on this project at this time.

The 2024 Consumer Confidence Report (CCR) was distributed with the regular billing at the end of May and appears to have been well received by our consumers. I have filed the required report with the State of Oregon.

I'm pleased to report that, following some back-and-forth with the County Assessor's Office, the property on Blum Lane that houses the Wilson Well and shop, will now be correctly listed as owned by Fairview Water District rather than Wilson River Water District on all County tax rolls.

Tim Tice at OAWU would like to present their findings from the rate study to our Board in either July or August. I will keep the Board updated as the date is further finalized.

I received an email from Camy Vonseggern, the director of Tillamook County Fairgrounds, who reached out to us offering aid and inquiring about the progress of the water line that we had hoped to install across the Fairgrounds parking area. I let her know that the project was on hold at this time, but that we appreciated her willingness to stay engaged with the District about the matter.

Since November of 2024 I've been working to get myself enrolled in the PERS retirement system. Although I became eligible in January 2025, the process was delayed due to a lack of communication from my assigned PERS representative. Thankfully, after contacting her supervisor in late May, my enrollment was successfully and quickly completed. While I am thrilled to have this resolved, the Board should be aware that you will see an increase on the accounts payable report on the PERS line moving forward due to my included contribution. In addition, for the next three months, my contributions will be approximately three times the usual amount as I make up for the missed deductions from the past six months.

I have begun to explore grant opportunities for our District and welcome any suggestions that the Board may have to point me in the direction of any granting agencies that I may be unfamiliar with.

We've had a lot of success this month and have made excellent progress on several items. That said, the workload has been pretty intense, and I'm starting to worry about our ability to keep up the pace without consequence. Outside of our current larger projects, there are a number of ongoing responsibilities that require completion; like organizing our shops and yards so that they are safe to use and working in, preparing and executing a project list for future efficiency, organizing our office in general, storing historical files appropriately, preparing for grant work, updating many old policies and making sure that we are compliant, repairing service lines, installing new service lines, etc. These tasks, while not high-profile, are critical to the success of this district and I would like to see them completed sooner than later. A recent increase in projects makes me concerned that these foundational tasks will be overlooked, and I very respectfully ask that the Board consider delaying the addition of any *new* projects to our substantial list until a majority of these tasks can be completed.

Lastly, as the weather improves, I'm planning to host a "painting party" at the District office. I don't have a date set yet, but those old block walls are overdue for a fresh coat of elastomeric paint and I'm calling in all hands to keep costs down. If you're interested in lending a hand, let me know and I'll reach out to you once we've got a date on the calendar.

Have a wonderful July. Be safe.

Melissa Rondeau  
June 20, 2025



# FAIRVIEW WATER DISTRICT

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## GENERAL MANAGER'S REPORT

June 26, 2025 - Board of Commissioner's Meeting

We have completed the installation of the new pump assembly for Well 1. We've tested its operation, and the pump is performing as expected. Due to the change from a six-wire split phase motor to a three-wire motor, we require a changeout of the power relays to have continuous operation. Ryan from EC Electric has ordered the parts, and I will notify the Board when the remaining electrical work is finished.

A-1 has completed cleaning the reservoir and has treated all rusted areas. They have a few other obligations to complete but will return to painting in the next two weeks. Due to the extreme cost difference quoted by Sherwin Williams for recoating the tank with a product similar to what is currently on it, we've decided to use the same coating that was applied to the roof of the office. The material cost alone from Sherwin Williams for the original coating was going to be \$40,000. The total cost for Corothane MIO-Aluminum will be \$24,000. I felt that paying \$16,000+ more just to keep the tank the same color was a bit steep.

The assessment of the tank's exterior was very positive. The original coating has maintained the integrity of the vertical surfaces exceptionally well, but it has reached the end of its intended lifespan and is beginning to fail. The roof showed the most corrosion damage but remains structurally intact. The soffit ring around the roof has rotted through in a few places and will need to be patched. The sight glass gauge assembly has nearly rotted out as well. I've inquired with EC Electric about installing a digital display on the side of the tank that we can tie into the telemetry system, which would allow us to decommission the old sight gauge and seal off the opening. The only other area of damage is the vent cap on top, which has developed a few holes in the screening and will need to be removed and repaired or replaced. All in all, the tank has weathered the decades very well and, with a reasonable investment, will likely provide the District with several more decades of service.

Another important note to remember is that once we have variable frequency devices online at Wells 3 and 1, we will have the ability to take the reservoir completely offline and perform any needed internal structure repairs to restore it to like-new condition. If we plan for that work next year, we can essentially have a brand-new reservoir for a fraction of its original 1987 cost. If we go the extra mile and apply additional protective coatings to previously bare metal structures, it has the potential to last even longer with reduced repair costs in the future.

Jeff and I rented a telehandler and moved most of the large sections of pipe and appurtenances stored at the District office to inside the fence at Well 4. The remaining sections of pipe were too long for the trailer we had, and I was unwilling to cut them into shorter sections. I have a few ideas for where to stow them but I'll make a final decision once the office lot is cleared and organized. I will work this summer to develop a plan for the continued maintenance and upkeep of the district office yard.

The pumphouse at Well 4 has been pressure washed inside and out, and I'll be working on assembling a new pipe rack inside the yard as time allows. The fence gate was sagging due to the post never having



been set in concrete. We came up with a simple solution of attaching a cable anchor to the post, which has realigned the gate for normal operation.

Burdens has assisted us in removing the poly tanks from Valley View Heights, and they have been relocated to the Blum Lane property. Taylor Aufdermauer has already expressed interest in purchasing them if possible.

Matt Lichner has started removing the tank foundations, and I have plans to coordinate with his son-in-law, Tyler Udenby for further removal of our unused infrastructure. As of now, I'm trying to complete as much of this work as possible with their help, as it comes at no cost to the District.

We had a significant leak at Randall Corner, but are unsure when it began, as the tall grass had concealed it. We repaired it as soon as it was brought to our attention. The saddle for the Myers barn had a bad gasket and was repaired quickly with little interruption to the water supply.

Completed on June 19, 2025

Michael Ostensen, General Manager