FAIRVIEW WATER DISTRICT
BOARD OF COMMISSIONERS MEETING AGENDA
Regular Session | May 28, 2026 | 5:00 PM
403 Marolf Loop Road, Tillamook, Oregon

1. **Call To Order**
2. **Roll Call**
3. **Approval of Minutes**
    a) April 30, 2026 Regular Board Meeting
4. **Public Comment (on Non-Agenda Items)**
5. **General Manager's Report**
6. **Office Manager's Report**
7. **Financial Reports**
    a) Accounts Payable
    b) Financial Status
    c) Delinquency Summary
    d) FY 2024-25 Audit
8. **Old Business**
    a) Proposed Water Rate Adjustments
    b) Revised General Manager Job Description
    c) Financial Management Policy Review Update
    d) Water Use Billing Adjustments for Leak Repairs
9. **New Business**
    a) Approval of Fiscal Year 2023-24 Audit Report
    b) Reimbursable Work Order with Tillamook People's Utility District for Underground Electrical Service Transfer
    c) Board Attendance and Vacancy Information
    d) Board Meeting Time
    e) Online Publication of Board Packets
    f) Unmetered Water Use and Accounting for Water Loss
    g) SDIS Best Practices Program
10. **Board Member Presentations**
11. **Adjournment**

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

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

1. CALL TO ORDER

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

2. ROLL CALL

a) Board Members Present: John Casteel, Gary Bond, James Huffman (departed 7:14 PM)
b) Board Members Absent: Dustin Burdick, Boyd Rulifson
c) Staff Present: General Manager Michael Ostensen, Office Manager Melissa Rondeau
d) Visitors Present: Larry Anderson (departed 6:35 PM)

3. PUBLIC HEARING: FISCAL YEAR 2026-27 BUDGET

a) Chair Casteel opened the public hearing at 5:05 PM

b) Public Comment

i. Larry Anderson stated that following the March 26, 2026 Budget Committee meeting, members of the public and members of the Budget Committee met and discussed concerns regarding staffing costs within the proposed budget. Anderson stated that several concerns had been raised regarding the percentage of the budget that had been allocated to staffing costs and requested further Board discussion regarding District staffing levels and employee costs. Discussion followed regarding the Budget Committee's prior approval of the proposed fiscal year 2026-27 budget and the District's operational and staffing needs.

ii. Written comment was submitted earlier in the day by Budget Committee member Richard Obrist expressing concerns regarding employee costs, District leak repairs, customer communication, and other information regarding the potential future consolidation of Hunt Water District with Fairview Water District.

c) Board Comment

i. Board member Gary Bond requested to reallocate $400 that had been previously budgeted in Fund 01-7155 (County Lease Agreement), back to Fund 01-7587 (Capital Improvements & Repairs), stating that the outstanding lease-related invoicing with Tillamook County had been resolved and that the amount was no longer needed in Fund 01-7155.

d) Chair Casteel closed the budget hearing at 5:11 PM

4. BUDGET ADOPTION

a) Motion by Gary Bond and seconded by John Casteel to adopt the modifications to the fiscal year 2026-27 budget by transferring $400 from Fund 01-7155 to Fund 01-7587.

Vote: Aye: Casteel, Bond, Huffman

Nay: None
Abstain: None
Absent: Burdick, Rulifson
Motion passed 3-0

b) *Motion by Gary Bond and seconded by John Casteel to adopt the fiscal year 2026-27 budget in the amount of $852,478, impose ad valorem property taxes at the permanent rate of $0.1852 per $1,000 of assessed value, and categorize the taxes pursuant to Oregon law.*

Vote: Aye: Casteel, Bond, Huffman
Nay: None
Abstain: None
Absent: Burdick, Rulifson
Motion passed 3-0

5. APPROVAL OF MINUTES

a) February 26, 2026 Regular Board Meeting Minutes

Discussion was held regarding the Board's prior request for legal guidance concerning whether General Manager personnel evaluation documents should be directly attached to public meeting minutes. Board direction was given to staff to add additional information contained in a prior memo from Office Manager Melissa Rondeau to the February 26, 2026 meeting minutes.

i. *Motion by James Huffman and seconded by John Casteel to approve the minutes of the February 26, 2026 regular Board meeting was withdrawn.*

ii. *Motion by John Casteel and seconded by James Huffman to approve the February 26, 2026 regular Board meeting minutes as amended.*

Vote: Aye: Casteel, Bond, Huffman
Nay: None
Abstain: None
Absent: Burdick, Rulifson
Motion passed 3-0

b) March 26, 2026 Budget Committee Meeting Minutes

Direction was given to staff to revise the Budget Committee meeting minutes to include Board member votes alongside Budget Committee votes.

i. *Motion by Gary Bond and seconded by John Casteel to approve the March 26, 2026 Budget Committee meeting minutes as amended.*

Vote: Aye: Casteel, Bond, Huffman
Nay: None
Abstain: None
Absent: Burdick, Rulifson
Motion passed 3-0

c) March 26, 2026 Regular Board Meeting Minutes

Bond questioned whether Board consensus had previously been given regarding posting Board packets online and stated that he did not recall agreeing to the practice. Casteel, Huffman, Ostensen, and Rondeau stated that discussion regarding posting Board packets online had occurred during the March 26, 2026 regular Board meeting. Bond requested that this item be placed on a future meeting agenda for further discussion. One correction to a board vote at the bottom of page one of the March 26, 2026 meeting minutes was requested.

i. *Motion by Gary Bond and seconded by John Casteel to approve March 26, 2026 regular Board meeting minutes as amended.*

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

6. PUBLIC COMMENT (on Non-Agenda Items)

a) Continued discussion by the Board regarding written comment submitted earlier in the day by Budget Committee member Richard Obrist expressing concerns regarding employee costs, District operations, leak repairs, customer communication, and future system planning.

b) Anderson expressed concerns regarding customer satisfaction, system leaks, employee costs, and the impact of future rate increases on agricultural and large-volume users. Anderson requested additional information regarding known system leaks and their repair status.

Staff stated that known leaks are included each month within the General Manager's report. Discussion followed regarding leak prioritization, repair costs, ongoing investigations, and operational limitations related to staffing, easements, contractor availability, and funding.

Discussion continued regarding rate equity among different consumer classes as well as the financial contribution of agricultural and large landowners within the District. James Huffman expressed the opinion that agricultural users and larger landowners should receive special consideration during future rate discussions due to their financial contribution and historical role within the District. Casteel stated that rates should remain fair and appropriate to District needs across all consumer classes.

7. GENERAL MANAGER'S REPORT

a) Ostensen reported on emerging federal and state testing requirements related to per- and polyfluoroalkyl substances (PFAS/PFOS). Discussion included two prior testing rounds completed by the State of Oregon, upcoming sampling deadlines, and future compliance requirements depending on what the test results show.

b) Discussion regarding known system leaks, prioritization of repairs, project costs, contractor availability, and operational restrictions affecting repair timelines. Ostensen reported that an estimate exceeding $200,000 had been received for the repair of the leak on Marvin Lane. Additionally, the Sollie Smith Rd./Latimer Rd. leak remains under investigation, and staff is researching the need for additional easements before repairs can proceed. Materials for the Blum Lane repair have been purchased and delivered, and the District is waiting on contractor availability to complete the excavation portion of the repair. During discussion, Anderson referenced a possible leak near one of Obrist's properties and questioned why it had not been repaired. Ostensen stated that he was not aware of the leak as described and questioned whether the issue involved private infrastructure or District infrastructure. Further discussion was held regarding the complexity of locating, prioritizing, and repairing leaks throughout the system.

8. OFFICE MANAGER'S REPORT

Rondeau distributed printed copies of the fiscal year 2023-24 audit to all Board members present. Bond questioned why printed audit reports had not previously been received by the Board. Rondeau reported that communication with the auditor indicated that electronic copies had been sent directly to Board members and that delays had occurred with the printed versions. Board members present stated that they had not received electronic copies of the audit report. Bond requested that the audit report be placed on a future meeting agenda for discussion.

9. FINANCIAL REPORTS

a) March 26, 2026 Accounts Payable Report

The Board reviewed the March Accounts Payable report. Bond questioned two payments issued to Bay City, instead of just one, and staff clarified that the report mirrors expenditures recorded on the bank statement; that this was an issue related to the physical deposit of the checks by Bay City.

i. *Motion by Gary Bond and seconded by James Huffman to approve all expenditures for March 2026.*

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

b) Budget v. Actuals Report

The Board reviewed the current financial activity of the District. No discussion was held.

c) Delinquent Account Summary

Rondeau reported updates to the number of delinquent accounts on the list since the date the list was distributed to the Board and explained changes to operational terminology within the report. No additional discussion was held.

d) Fiscal Year 2024-25 Audit

Rondeau reported that progress is being made on the audit, but progress is slower than anticipated due to higher than usual District operational demands and Board-related matters.

10. OLD BUSINESS

a) Continued Discussion: General Manager Job Description

Bond discussed that he has concerns regarding portions of the draft job description and that he had submitted these concerns to Casteel for further review. Casteel requested that staff forward Bond's comments to all members of the Board so that everyone could review them and add their own.

b) Continued Discussion: Financial Management Policy

Bond stated that he disagreed with several provisions within the current draft financial management policy. Casteel discussed obtaining additional review of the policy from a Budget Committee member who has professional financial experience to assist the Board with continued evaluation of the document. Casteel will follow up with the Budget Committee member and provide an update to the Board at a future meeting.

c) Continued Discussion: Water Rate Study

Casteel stated that he would like a projected timeframe for presenting a final rate increase proposal to the public and requested that staff develop and provide recommendations regarding potential rate adjustments for future Board consideration. Bond expressed a desire for advance review of staff-proposed rate information and requested that staff provide the information to the Board as early as possible to allow adequate time for review and consideration.

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.

Brief discussion was held regarding the purpose and intent of the resolution and the liability protections that it provides to the District.

i. *Motion by Gary Bond and seconded by James Huffman to adopt Resolution 2026-02.*

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

b) Resolution 2026-XX: A Resolution Establishing Guidelines for Reimbursement for Water Leaks

Board discussion was held regarding the proposed bill forgiveness resolution related to water leak reimbursement requests and the existing language within Ordinance 2000-1, which 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."* Discussion included whether an additional resolution was necessary given the existing ordinance language, and whether authority for approving adjustments must specifically rest with the Board.

Following discussion, the Board expressed interest in further review of the matter prior to taking action. Casteel requested that staff provide the current ordinance language to the Board for future discussion and consideration.

c) Discussion: City of Tillamook Agreement

Casteel briefly discussed a recent meeting with representatives of the City of Tillamook regarding the District's expired urban services agreement. Discussion included the City's interest in renewing the agreement and ongoing coordination between the District and City related to future planning efforts. Ostensen reported that he continues working with Project Manager/City Engineer Adam Nielsen, who also serves on the Fairview Water District Budget Committee, as discussions progress.

d) Legal Guidance: Personnel Documents in Minutes

This item was discussed earlier during the approval of the February 26, 2026 minutes.

e) Discussion: Distribution of Board Packets

Following discussion regarding the hand-delivery of printed Board packets to board members' homes, the Board directed staff to discontinue the practice. Staff will establish a secure pickup location for printed Board packets at the District office. Board members may elect to receive printed packets through office pickup or postal delivery.

f) Board Training Opportunity

The Port of Tillamook Bay will be hosting a Special Districts Association of Oregon (SDAO) board training on May 20, 2026 at 2:00 PM.

12. BOARD MEMBER PRESENTATIONS

a) Bond requested additional Board discussion regarding the posting of Board packets on the District website and requested that the matter be included on a future meeting agenda.

b) Casteel discussed the high cost of upcoming District projects and the potential benefit of utilizing City of Tillamook Project Manager/City Engineer and Fairview Water District Budget Committee member Adam Nielsen as a resource to help find funding.

13. STAFF PRESENTATIONS

a) Ostensen received a quote from Tillamook People's Utility District regarding the removal of the overhead electrical lines and placing them underground. The District will have to pay $5,541.98 up front, and if the costs are less than that we will receive a partial refund, as any unused balance will be refunded to the District.

James Huffman departed the meeting at 7:14 PM, resulting in a loss of quorum. Due to this, no action was taken on Ostensen's request for funds.

14. ADJOURNMENT

Due to a loss of quorum, the meeting ended at 7:14 PM.

FAIRVIEW WATER DISTRICT
403 Marolf Loop Road
Tillamook, OR. 97141

(503) 842-4333
www.fairviewwater.com

GENERAL MANAGER'S REPORT
MAY 28, 2026 - Board of Commissioner's Meeting

Jason Brooks from Oregon Association of Water Utilities (OAWU) visited and gave me some clarification on the PFAS/PFOS (per- and polyfluoroalkyl substances) ruling. He explained that the Department of Environmental Quality (DEQ) will conduct the first round of samples, and he believes these were the samples that they took in the beginning of April. Fairview Water District will be responsible for the second round of testing, which is due 5-7 months from now. I'm waiting for confirmation from the State on this matter.

I assisted the Tillamook County Fairgrounds on a sizable leak located under the pavement of the parking lot. The leak was located in their fire main, and a new repair band donated by the District has successfully been installed. Fortunately, I keep a small store of repair supplies that are no longer used by the District and was able to provide it to them.

We have experienced mechanical failures in our vac trailer, and it is not currently usable. The blower has seized and we will need to repair or replace it. Being that in order to service it requires the removal of most of the appurtenances; we will be upgrading the powerhead and the pressure pump to make the vac trailer more accommodating to our needs.

I've been asked by Clyde Wagner of Wagner Water Works to attend several Board meetings at Pleasant Valley Water Company. It is my understanding that they remain interested in discussing alternatives related to water service in the area. I intend to use this opportunity to discuss the possibility of more official mutual aid and labor-sharing agreements between neighboring districts. Clyde and I currently maintain an informal arrangement to assist one another during emergency situations or staff absences.

My reasoning behind this is to continue to promote cooperation between surrounding water districts and have broader discussions regarding the idea of a regional water authority. If all of the surrounding districts can work together and create beneficial partnerships, it will foster an environment that is more likely to produce success. I have no intention of making Fairview Water District the sole provider of effort in this type of regional solution. We not only lack the resources to support that approach, but it would be fundamentally wrong for one district to carry a disproportionate share of the burden in any regional partnership.

I attended Special District Association of Oregon's (SDAO) Board Member 101 training on May 20. I was happy to see Board members John Casteel and Gary Bond in attendance, as well as Office Manager Melissa Rondeau. Following the meeting, I had a brief discussion with a board member from Pleasant Valley Water Company (PVWC) and Clyde Wagner from Wagner Waterworks. The board member from PVWC expressed interest in purchasing bulk water from Fairview Water District. I have asked Clyde to obtain consumption and expenditure information so that I can prepare cost analyses between Fairview Water District and the City of Tillamook. I hope to continue discussions with their full board in the future.

CURRENT LEAKS

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

   Line replacement is needed throughout 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 has been identified, due to limited resources repairs will take place as time is available. Easements for adequate access to the line are missing, and any property boundary conflicts need to be resolved before replacement can be discussed.

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. **UPDATE 05/18/26:** Two leaks have been located in this line. One leak has been repaired successfully, but due to the deterioration of the system as a whole, the severity of the other leaks has increased. The remaining leak(s) are flowing in the field and not onto private residential property anymore.

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

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

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)**

   The materials used to create this section of line have proven unreliable and conditions are similar to those found during the Blum Lane project. Due to the condition of the system, excavation work will most likely expose additional system failures. Full replacement is the most effective long-term solution and is recommended for this section of line.

COMPLETED ON MAY 18, 2026
Michael Ostensen – General Manager

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

OFFICE MANAGER'S REPORT FOR MAY 28, 2026

We will be mailing the 2025 Consumer Confidence Reports (CCRs) with the May billing statements this month. As they did last year, customers will receive a paper billing statement along with the CCR. Combining these mailings helps us to reduce costs while continuing to provide customers with printed copies of the report.

I have received input from multiple parties regarding the publication of District updates and have been exploring cost-effective and more modern methods of doing so. While many customers still prefer traditional forms of communication, we are hopeful that newer methods may allow the District to provide more frequent updates and improve our public outreach.

The fiscal year 2024-25 audit is progressing without too much difficulty. We are working with a different auditor through Singer Lewak this year, and I'm hopeful that we will get everything wrapped up quickly.

A mail room area has been created in the entryway of the District office for Board packet pickup during and after business hours. Each member of the Board has been assigned a designated mail slot. In addition to locking the front door behind you if you pick up items after business hours, please remember that if you wish to receive a printed Board packet that you will need to let me know. Printed Board packets will now only be provided upon request, but your e-packet will continue to be delivered to your District email address each month.

I had the opportunity to attend the Special Districts Association of Oregon (SDAO) Board Training held at the Port of Tillamook Bay on May 20, 2026. I found the training informative and well-presented. One topic discussed during the training was the importance of elected officials being aware of and understanding the Oregon Revised Statutes (ORS) governing their Districts. Fairview Water District is governed specifically by ORS 264 (Domestic Water Supply Districts) and ORS 198 (Special Districts Generally). If a matter is not addressed within ORS 264, ORS 198 may be able to provide the information that you need.

Lastly, the District has filed a utility lien for a property that had defaulted on its repayment agreement. The mortgage holder has been notified of the lien, and staff are working with them to resolve the outstanding balance. They are aware that water service will not be restored to the property until all outstanding costs have been paid in full. This item is being provided for informational purposes only and does not require Board action.

Melissa Rondeau | Office Manager
Prepared 5/21/2026

Summary of Accounts Payable	
Payments Processed During April 2026	
Presented May 28, 2026	
Personnel Costs	26,902.31
Banking Fees	117.70
Insurance	11,305.00
Utilities	3,473.61
Professional Services	948.00
Testing, Compliance & Permits	50.22
Operations, Repairs, & Supplies	472.40
Vehicles, Fuel, & Equipment	471.65
Facilities	597.00
Administrative Expenses	2,016.50
Training & Conferences	195.00
Total Accounts Payable	**46,549.39**

Budget v Actual Report - Fairview Water District **Periods 1 - 10 | Year 2026 | July 2025 - April 2026**

Account	Description	Budget	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-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	175.00	1,390.00	(890.00)	278.00
014162	Revenue - Miscellaneous	2,500.00	322.81	359.93	283.36	262.84	389.26	360.17	345.66	399.24	345.03	307.98	3,376.28	(876.28)	135.05
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	486.80	6,898.24	8,101.76	45.99
	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	969.78	43,728.23	395,771.77	9.95
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	20,692.54	200,927.22	(39,072.78)	83.72
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	20,368.46	210,800.04	(59,199.96)	78.07
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	41,061.00	411,727.32	98,272.68	80.73
	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	41,061.00	411,727.32	98,272.68	80.73
	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	42,030.78	455,455.55	494,044.45	
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	10,624.35	109,357.23	15,642.77	87.49
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	20,800.96	184,803.19	130,196.81	58.67
	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	31,425.31	294,160.42	145,839.58	66.85
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		300.00	9,786.00	6,214.00	61.16
017140	Legal Services	3,000.00				1,197.00	(735.00)	171.00	741.00	280.00	1,260.00	350.00	3,264.00	(264.00)	108.80
017141	Licenses/Dues/Certs/Memberships	1,500.00		45.00	492.50	140.00	195.00	642.00				195.00	1,709.50	(209.50)	113.97
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	87.70	8,388.86	6,611.14	55.93
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	308.19	26,150.89	18,849.11	58.11
017159	Building Maintenance	10,000.00				569.39		81.38		852.32		894.52	2,397.61	7,602.39	23.98
017164	Water Tests & Compliance	6,000.00	4,565.00		122.00		3,495.00		700.00			245.00	9,127.00	(3,127.00)	152.12
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	3,355.86	38,529.01	16,470.99	70.05
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	243.85	3,306.29	2,693.71	55.10
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	176.70	656.74	343.26	65.67
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	262.10	2,591.10	408.90	86.37
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	2,083.61	13,501.66	6,498.34	67.51
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	8,502.53	168,240.05	73,359.95	69.64
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
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	39,927.84	569,602.16	1,501,202.16	

Account	Description	Budget	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	YTD	Variance	%
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)	2,102.94	(114,146.61)	114,146.61	

Account	Description		Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-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	301.23	3,248.49
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	Apr-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	$ 91,926.29
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	$ 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	$ 30,077.21
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	$148,556.64

Delinquent Accounts Summary
05/28/26 Board Meeting

22 Accounts with delinquincies

Past due account balances:	$ 971.59
Total account balances:	$ 1,654.52

5 Accounts scheduled for suspension of service

16 Accounts past due

1 Account on a repayment plan

* Delinquincies accurate as of 05/22/26

FAIRVIEW WATER DISTRICT

403 Marolf Loop Road
Tillamook, OR. 97141

(503) 842-4333
www.fairviewwater.com

May 2026 Staff Response to Board Request RE: Water Rates

We have had multiple discussions and received a lot of input from all corners of the District regarding water rates and the future needs of the system.

At this time, I continue to support the study provided by the Oregon Association of Water Utilities (OAWU). The study is based on sound information provided directly by the District and accurately reflects the current operational needs of the system as well as future infrastructure costs. Without a sizable amount of cash on hand and adequate revenue coming in, the District will not be able to properly address repairs, emergencies, or future improvements.

If we do nothing and the District runs up against another emergency, as we have in the very recent past, we will not be able to respond the way that we have before. Our savings are enough to support day-to-day operations at this time, but the District still has significant infrastructure deficiencies that will only become worse with time. To be blunt, rate increases should have happened many years ago, as the District is now at a point where further delay will only increase repair costs and facilitate risk to the system. We have a responsibility to the District as a whole and cannot allow the system to fall into decay because a rate increase is unpopular with some customers. Rate adjustments are necessary to keep the District financially stable and allow for improvements so that we can avoid larger problems down the road and continue to remain an independent water provider.

I recommend adoption of the American Water Works Association (AWWA) meter ratios included in the OAWU water rate study for base rate, with a consumption rate of $2.25 per thousand gallons across the District. I also support a consumption rate of $3.50 per thousand gallons for outside-District water service, based on the principle that outside entities should pay the District's base cost plus an additional 10 percent. At this time, I do not recommend a different base rate for outside-District meters due to billing software limitations and the administrative difficulties it would create.

Michael Ostensen
General Manager, Fairview Water District

2026 SDIS Best Practices Program

Your district can receive up to a 10% discount on your 2027 general liability, auto liability and property insurance contributions. There are five opportunities to earn 2% towards your total discount.

Deadline - November 6, 2026

How to Complete the Survey!

- Sign in at www.sdis.org
- Then, click on Insurance located on the left
- Next, click on Best Practices located on the left
- Click 'Take Survey'
- Once in the survey, check all of the applicable boxes. After you have completed, **click Submit at the *top right* of the screen.**

After clicking Submit, the survey has been submitted. If you refresh the survey and the boxes are still checked, we have the information. Did you forget to check a box or later complete a requirement? No worries. You can come back and edit the survey all the way until **November 6**.

The SDIS Best Practices Program was designed to assist special districts with implementing best practices to mitigate risk in areas of high exposure. Your district can receive up to a 10% credit on 2027 general liability, auto liability, and property insurance contributions. There are five opportunities to earn 2% towards your total discount.
These opportunities include the following:

1. Affiliate Organization Membership | Credit: 2%

You will receive a 2% credit for being a member of any of the following affiliated organizations:

- Cemetery Association of Oregon
- Oregon APCO-NENA
- Oregon Association of Chiefs of Police
- Oregon Association of Clean Water Agencies
- Oregon Association of Conservation Districts
- Oregon Association of Hospitals and Health Systems
- Oregon Association of Water Utilities
- Oregon Economic Development District Association
- Oregon Fire Chiefs Association
- Oregon Fire District Directors Association
- Oregon Library Association
- Oregon Mosquito and Vector Control Association
- Oregon People's Utility Districts Association
- Oregon PRIMA
- Oregon Public Ports Association
- Oregon Recreation and Park Association
- Oregon Rural Health Association
- Oregon Transit Association
- Oregon Water Resources Congress

2. **SDAO/SDIS Training | Credit: 2%**

At least one (1) representative of the district must complete an SDAO/SDIS training of the following listed options:

- Any SDAO Regional Training Summit - One or Two-Day Attendance Qualifies
- SDAO Annual Conference
- Metro Breakfast
- Board Practices Assessment

For an up-to-date list of the current scheduled SDAO/SDIS trainings please visit: https://www.sdao.com/calendar

3. **Checklist | Credit: 2%**

To receive credit in this category, you must complete the self-evaluation checklist that is available within the Best Practices Survey. The survey is open online at www.sdis.org. Read the Receiving Credit section for details.

4. Policy Requirement | Credit: 2%

In order to receive the 2% credit, districts must have adopted or have a current policy (updated within the last two years) in regard to public meetings. A sample policy is available in the SDAO Resource Library at www.sdaoresourcelibrary.com.

5. Public Meetings Law Training | Credit: 2%

In order to receive the 2% credit, ALL members of the district's board must complete one of the following options:

1. Online public meetings training offered on Vector Solutions (formerly SafePersonnel). This training will be located in the course library and can be found by searching under the Special Districts Insurance Services tab, then search for Public Meetings in the search box.
2. In-person public meetings law training offered through the SDAO Consulting Services Program. To check availability please contact Consulting Services at consultingservices@sdao.com.
3. An Oregon Government Ethics Commission (OGEC) approved training. Trainings can be found at: https://www.oregon.gov/ogec/training/Pages/Public-Meetings-Law-Training.aspx

Receiving Credit

To receive credit, a district representative must complete the Best Practices survey (located online on the SDIS Insurance Site) and click the Submit button at the upper right-hand corner of the screen. Credit will only be awarded in a category when a box within that section is checked. If you cannot answer "yes" to at least one question within that category, credit will not be recorded. Your district will be notified by email this spring when the survey becomes available online. The survey must be submitted by a district representative who will verify completion of the credit requirements within the survey. Training credits taken by members are not automatically updated in the Best Practices Survey and must be manually checked off by the member. Please note, each district is responsible for completing their own survey online.

The deadline to complete the survey is November 6, 2026.
If you have any questions regarding the Best Practices Program or need help completing it online, please contact Jaime Keeling at jkeeling@sdao.com or 800.285.5461 ext. 122