

**NETARTS-OCEANSIDE SANITARY DISTRICT**  
**5390 NETARTS HWY. NW**  
**TILLAMOOK, OR 97141**  
**PHONE: (503) 842-8231**  
**FAX: (503) 842-3759**  
**TTY Relay Service: (800) 877-8973**

Minutes of the October 15, 2009 regular monthly meeting of the Netarts-Oceanside Sanitary District Board of Directors.

1. The regular monthly meeting of the Netarts-Oceanside Sanitary District (NOSD) Board of Directors was called to order at 6:34 P.M. by Chairperson, Craig Wakefield. The meeting was held in the Oceanside Community Club.

**BOARD MEMBERS PRESENT:**

Craig Wakefield, Chairperson  
Elisabet Wilkerson, Vice-Chairperson  
Robert Olsen, Secretary  
Bruce Lovelin, Member-at-Large

**BOARD MEMBERS ABSENT:**

Dave Kratovil, Treasurer

**EMPLOYEES PRESENT:**

Daniel Mello, District Superintendent  
Tami Walker, Office Manager  
Andrew Hunt, System Operator

**OTHERS PRESENT:**

Clark Balfour, Legal Counsel  
John Yarnall, Engineer of Record

**GUESTS (In attendance):** None

2. Approval of Agenda. Lovelin moved to approve the Agenda as presented. Wilkerson seconded. Motion passed by a vote of 4 to 0.
3. **GUESTS: Yarnall and Balfour:** Yarnall talked at the end of the District Report and Balfour talked after recessing to the Executive Session.
4. **PUBLIC COMMENTS:** None, as no public was present.

5. The Board reviewed the previously distributed **Minutes** of:
  - A. The September 17, 2009 regular Board meeting. The meeting was held in the Netarts Community Club. Since only two (2) of the four (4) Board members at the meeting were present, the minutes from the September 17, 2009 regular Board meeting were tabled until the November 2009 Board meeting.
6. The Board reviewed the **Financial Statements** through September 30, 2009 for all Funds. Mello and Walker answered all questions to the Board's satisfaction. It was the unanimous consensus of the Board to accept the Financial Statements as presented.
7. The September 18, 2009 through October 15, 2009 **Accounts Payable** were reviewed for:
  - A. General Fund in the amount of \$65,926.00.
  - B. SDC Fund in the amount of \$108.75.
  - C. Repair/Replacement Fund in the amount of \$600.75.
  - D. Construction Fund II in the amount of \$16,995.09.
  - E. Construction Fund III in the amount of \$327,710.50.

Mello and Walker answered all questions concerning the Accounts Payable to the Board's satisfaction. Lovelin moved to pay the Accounts Payable for all Funds as presented. Olsen seconded. Motion passed by a vote of 4 to 0.

8. **DISTRICT REPORT:** (A copy of Mello's Operation and Maintenance Summaries is attached. The following additional information was presented and discussed):

Mello reported that the District had no NPDES Violations, and was within Permit.

Mello reported that the District had one (1) minor Odor Complaint from a customer walking on the beach. That day, the Operators were cleaning out the Chlorine Contact Chamber.

Mello reported that the new Ocean Outfall pipe is operating without any glitches. The new Outfall was placed into service on September 29, 2009. Mello explained that for now, until the new pipeline between the new WWTP sites is finished, the Outfall is using a temporary 8-HP (Horse Power) pump.

Mello reported that the Oceanside Pump Station is having a problem with the Mag-Starter. Morgan's Electric went to Portland today to try to find some Mag-Starters, as he thinks that he can find them, even though they are not used anymore.

Ocean Outfall Back-up Plan-Mello reported that, per an email from Tim McFettridge of DEQ, the District can use the existing Outfall as a Back-up Plan, for now.

Mello reported that the District hauled 38,500 gallons of sludge to the Port of Tillamook Bay on September 3, 2009.

Mello reported that the District actually received a Water SDC Payment from the Developer (Eric Olsen) of the Thimbleberry Development. Mello explained that the check was made out to NOSD and had our Sewer Stub with the check, but that the amount was actually a Netarts Water District (NWD) SDC payment. Walker was going to mail the check back to the Developer, but instead, Mello directed her to deposit the check to the Sewer account that was set-up and charged out over a year ago. So, the District is now only waiting for one (1) SDC payment on the Thimbleberry Development, instead of two (2).

Mello stated that the Sewer Treatment Plant is operating within Permit limits. However, one of the interior steel walls on the north unit moves approximately 3-5 inches in and out; as the water level rises and falls. Mello stated that the District can either shut-down the Treatment unit and try and weld to rust, which is very hard to do; or, we can run it until it fails; which means taking our chances with it. The Operators are trying to keep the Unit full, which means keeping it equal on both sides.

Mello reported that Hubbard is doing some mapping of the Collection System; in order to have Zwald do some more I & I work.

Capital Improvement Projects-Mello reported that Yarnall is here tonight to discuss the status of the new WWTP design and that Balfour is here to discuss the Ocean Outfall project in an Executive Session.

Mello reported that staff needs Board approval for Wakefield to sign the Amendment #3 with DEQ for the CWSRLF (Clean Water State Revolving Loan Fund) Interim Financing for the Ocean Outfall project. Walker explained that Amendment #3 only changes the pay-back date on the Outfall project from October 30, 2009 until January 31, 2011. Wilkerson moved to approve having Wakefield sign the CWSRLF Amendment #3 documents on behalf of the District. Olsen seconded. Motion passed by a vote of 4 to 0.

Yarnall stated that it is his intent to submit the new WWTP 90% Design to the District, Rural Development, DEQ and the Oregon Water Resources Department next week. Yarnall will then incorporate any changes and/or comments, etc. after the Agencies have reviewed. Yarnall commented that he needs all approvals in order to go out to bid. Yarnall stated that he hopes to Advertise for Bids in January 2009; Bids are due in February 2009; Award Bid in March 2009; with Construction to start in May 2009 and to be completed by November 2011.

Yarnall stated that the 256 Road Culvert work has been completed; the District approved the payment tonight; and that Yarnall had the Road re-surveyed and that it will be incorporated into the 90% Design.

Yarnall stated that he has met with Mike Slibsager of the Netarts Water District (NWD) and his changes will be reflected in the 90% design. Yarnall sent a letter to NWD, asking them to waive the SDC for the District, on this project, and to date, we have not heard back from NWD, as staff was taking the request to the Board of Commissioners.

Yarnall stated that a bunch of Permits will be needed for the new WWTP project; e.g. ODOT, Tillamook County; etc. Yarnall stated that the Cultural Resource study for the Oceanside Pump Station has been completed; nothing was found, which was of no surprise to anyone. Yarnall commented that all of the Environmental studies for the new WWTP have now been completed.

Yarnall stated that he and Mello met with Tillamook PUD on September 30, 2009 to discuss electrical power to the new WWTP site. Yarnall explained that PUD will extend 3-Phase power to Sunset Avenue and then the District will put in the 3-Phase power underground up Cape Meares Loop Road to the 256 Road and up to the new WWTP site. Lovelin asked Yarnall if PUD requested that the District put in an extra conduit for them. Yarnall stated that they did not mention anything about that; however, the District will be installing three (3) 3-inch conduits just for us. Lovelin asked if PUD will be putting in a sub-station close to the new WWTP site; and, if so, is there any feasibility about sharing costs with PUD on extending the 3-Phase power. Yarnall stated that they do not have any plans to do a sub-station at this time, but probably down the road. Lovelin commented that maybe the NOSD Board should talk with the PUD Board to see what their intentions really are. Yarnall stated that he will be meeting with the Tillamook County Road Department as the 3-Phase underground power will have to be put in the road Right-of-ways.

Yarnall stated that Walker has been working with Economic & Financial Analysis on the District's funding package and looking at the interim financing options available to the District on the WWTP project. Yarnall stated that the District must also follow Rural Developments Letter of Conditions on the WWTP project, as all of the items must be met before we can go out to bid on the WWTP project.

Mello explained that he and Yarnall worked on and submitted the MAO Milestone Table last week to DEQ, per Estegenet Belete's request. Mello explained that Yarnall updated the Table that he did a couple of years ago, which was very helpful. Mello explained that Ms. Belete replaced Beth Moore at Oregon DEQ; and, DEQ wanted an update from the District on what has been completed and what has not been completed from the original MAO. Mello reported that Ms. Belete stated that DEQ is working on an Amendment #6 to the District's original MAO with DEQ, specifically pertaining to the new WWTP. Mello explained that DEQ has had a lot of employee changes in the last few months and believes that they are trying to get caught up with everything. The Board thanked Mello and Yarnall for the MAO Milestone Table-as it really hit all of the original Compliance points. Mello stated that DEQ is also working on updating the District's NPDES Permit, which renews in 2011. The Board

asked that staff put the MAO Milestone Table dated October 7, 2009, on the District's Website.

9. **OLD BUSINESS:** None.

10. **NEW BUSINESS:**

- A. Resolution 09-10, "A Resolution Amending System Development Charges for the NOSD and Declaring Effective Date." Since everyone present had a copy to read, Wakefield read Resolution 09-10 by title only. Olsen moved to approve Resolution 09-10 as presented. Wilkerson seconded. Motion passed by a vote of 4 to 0.

11. **CORRESPONDENCE:** None.

12. **PUBLIC COMMENTS:** None.

13. Wakefield recessed the regular meeting at 7:11 P.M. to go into Executive Session, per ORS 192.660 (2) (h), To discuss Pending or Threatened Litigation. Wakefield adjourned the Executive Session at 8:49 P.M.

Wakefield reconvened the regular meeting at 8:49 P.M.

14. There being no further business, Wakefield **adjourned** the regular meeting at 8:50 P.M. The next regularly scheduled Board meeting will be November 19, 2009 at the Netarts Community Club.

Respectfully submitted,

Robert J. Olsen, Secretary  
RJO/tw  
Oct09min