



Board Meetings



ARCH CAPE WATER & SANITARY DISTRICTS

32065 E. Shingle Mill Lane, Arch Cape, OR 97102
(503) 436-2790

**THE PUBLIC IS INVITED, IF THEY WISH,
TO ATTEND IN PERSON:**

**THE FIRE HALL, 72979 US 101,
ARCH CAPE**

BY TELEPHONE OR ZOOM LINK:

To Join the **Zoom Video Meeting** paste the following in your browser address window:

Meeting ID:	811 1394 7450
Meeting Passcode:	None Required
Assistance:	503-812-7578
Date:	Thursday, 20 November 2025
Time:	5:00 PM for Board Meetings

The Sanitary District Board Meeting will start at 5:00 pm.

The Domestic Water Supply District Board Meeting will start at 5:45 pm.

Agenda will be posted in Board Packet on the Website under “Governance – Meetings – 2025”



**ARCH CAPE DOMESTIC WATER DISTRICT
BOARD OF COMMISSIONERS MEETING**

Thursday, January 15, 2026

5:45 PM Meeting Zoom & In Person

<https://us02web.zoom.us/j/81113947450?pwd=AAIBsXOV0Ca0s4Aabg8946vQH2sB7Y.1>

The Board Meeting adheres to a 1.25 hour meeting rule. Meeting discussion will conclude sharply at that time to allow for the last 3 agenda items. Any uncompleted or remaining business will be rolled over until the next monthly Board Meeting.

- | | |
|------------------------------------------------------------------------------------|--------------|
| I. Call to Order | Owen Dufka |
| II. Public Comments | Owen Dufka |
| III. Agenda Approval (Action – Motion to Approve) | Owen Dufka |
| IV. Approve December 18, 2025, Meeting Minutes (Action – Motion to Approve) | Owen Dufka |
| V. Financial & Administrative Reporting | |
| A. Accept Budget vs Actual Report | Owen Dufka |
| B. Accept Payment of Accounts | Owen Dufka |
| C. Treasurer’s Report | Sam Garrison |
| VI. Plan of Action – Secretary of State (Action) | Owen Dufka |
| VII. Cell Tower Updates | Owen Dufka |
| VIII. Forestry Management Contract Amendment (Action – Motion to Approve) | Collin |
| IX. New Truck Discussion | Collin |
| X. Forestry & Asbury Intake Updates | Collin |
| XI. Reports | |
| A. Staff Reports | Matt/Collin |
| B. Board Members’ Comments and Reports | All |
| February Meeting Agenda Items (Action) | |
| Public Comments | Owen Dufka |
| Adjournment | Owen Dufka |



**ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
BOARD OF COMMISSIONERS' MEETING
Thursday, November 20, 2025**

Pursuant to the notice posted, the regular monthly Board Meeting for Arch Cape Domestic Water Supply District was held in-person. Hybrid meeting was not available due to a Zoom outage.

In attendance: Tevis Dooley, Richard Petrich, Sam Garrison, (by phone: Jeff Slemaker), Owen Dufka, Absent.
Staff: Collin Stelzig and Teri Fladstol; Public: Richard Gibson

Board Meeting was called to order by Tevis Dooley at 5:45 pm.

Public Comments – Richard Gibson, Cannon View Park President addressed the Board with information regarding the Smart Link Group that collaborated with them in the past regarding a cell-tower with Verizon. Smart Link is a group that does preliminary research and the case has been dormant for the past 2 years. Richard showed the location they had researched in their discussion with Cannon View Park.

Motion by Sam Garrison to approve agenda as presented, second by Richard Petrich, motion carried.

Motion by Richard Petrich, second by Sam Garrison to approve October 16, 2025, Meeting minutes, motion carried.

Financial & Administrative Reporting - Motion by Richard Petrich, Second by Sam Garrison to accept budget vs actual report; motion carried. Motion by Sam Garrison, Second by Richard Petrich to accept payment of accounts; motion carried. Sam reported that reconciliation had been completed and filed at the office.

Motion by Sam Garrison to accept Resolution 25-1120-1WD, Transfer of Appropriations in the 2025-2026 Budget to provide appropriations for the Asbury Creek Relocation Project. Second, by Richard Petrich, motion carried.

Motion by Sam Garrison to approve the engineering services contract with Curran-McLeod, Inc. for the Asbury Creek Water Relocation project in the amount of \$24,000, authorize the Board President to execute the agreement, and authorize the Board President to approve and sign contract amendments or changes not exceeding ten percent (10%) of the contract amount. Second, by Richard Petrich, motion carried.

Motion by Sam Garrison authorizing submission of Business OR Funding Application for Asbury Creek to see what funding opportunities may be available. Second, by Richard Petrich, motion carried.

Motion by Richard Petrich to authorize the District Manager to sign Amendment No. 01 to the ODOT Utility Construction Agreement for the Asbury Creek Intake Relocation, as well as any future amendments issued solely to correct the District name or other minor administrative errors, provided that such amendments do not alter the scope of work, cost, reimbursement structure, schedule, or obligations of the District. Second by Sam Garrison, motion carried.

Motion by Sam Garrison, second by Richard Petrich to accept Dale Mosby's application to join the cell tower committee. Discussion on the status of the inquiry is that Smart Link has indicated that site has been taken off of hold by Verizon and they are reviewing the area to see viability. Collin Stelzig and Richard Gibson shared map images of the locations that have been suggested. Next steps are to await for feedback from ODF, Smart

Link/Verizon.

Collins Stelzig updated the Board on the status from legal counsel in regard to use of District property by another public body, the emergency-preparedness group does not meet that standard. The group has been made aware of this and no action is requested from the Board at this time.

Reports: Collin Stelzig gave update on Asbury Intake and the need for 90% design plans for the waterline relocation by January 2026.

Board Comments and Reports: None

December Meeting Agenda Items: No Meeting unless necessary; Next meeting will be held January 15th at 5:45 pm.

Motion by Sam Garrison to adjourn the meeting, second by Richard Petrich, meeting adjourned at 7:15 pm.

Tevis Dooley, Vice-Chair

Attest: Teri Fladstol, Secretary

DRAFT



**ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
BOARD OF COMMISSIONERS' MEETING
Thursday, December 18, 2025**

Pursuant to the notice posted, the regular monthly Board Meeting for Arch Cape Domestic Water Supply District was held via Zoom.

In attendance: Owen Dufka, Tevis Dooley, and Sam Garrison. Staff: Collin Stelzig and Teri Fladstol; Public: None

Board Meeting was called to order by Owen Dufka at 5:45 pm.

Public Comments – None

Motion by Tevis Dooley to approve agenda as presented, second by Sam Garrison, motion carried.

Agenda item: Discussion of just compensation for an easement acquisition.

A motion was made by Tevis Dooley that the Board approve the Just Compensation amount of \$18,100 for the DeShane easement acquisition and authorize the Board President to sign the Just Compensation Authorization form on behalf of the District. Second by Sam Garrison, motion carried.

Discussion clarified that this was an initial step in the process and final approval would be needed after any negotiations with the property owner and would come back to the Board after negotiations were completed. The funds will be covered by ODTA as the ROW acquisition through reimbursement.

Meeting adjourned at 5:53 pm

Owen Dufka, Chair

Attest: Teri Fladstol, Secretary

**AC Domestic Water Supply District
Budget vs. Actuals July 1 to October 31, 2025**

	FY 25/26	1st Quarter	Oct 2025	Nov 2025	Dec 2025	Fiscal Year to Date		
	Budget	Actual	Actual	Actual	Actual	Actual	Budget	
01-4000 RESOURCES - Beginning Balance	\$ 164,986						\$ 164,986	0%
01-4000 RESOURCES - GENERAL FUND								
01-4201 User Fees	\$ 231,264	\$ 57,776	\$ 28,103	\$ 5,181	\$ 17,839	\$ 85,879	\$ 231,264	37%
01-4202 Debt Service	\$ 20,808	\$ 4,938	\$ 2,549	\$ 298	\$ 1,518	\$ 7,487	\$ 20,808	36%
01-4204 Overage/Excess Usage	\$ 32,000	\$ 10,173	\$ 7,902	\$ 434	\$ 5,155	\$ 18,075	\$ 32,000	56%
01-4300 Interest Income - General Fund	\$ 3,500	\$ 3,732	\$ 1,042	\$ 1,793	\$ 1,844	\$ 4,774	\$ 3,500	136%
01-4350 IGA Income (Sanitary District)	\$ 206,084	\$ 10,555	\$ 35,550		\$ 7,630	\$ 46,105	\$ 206,084	22%
01-4400 Cannon View Park Services	\$ 1,313	\$ 1,388				\$ 1,388	\$ 1,313	106%
01-4501 Meter Hook-Up Fee	\$ 2,500	\$ 1,250			\$ 1,250	\$ 1,250	\$ 2,500	50%
01-4700 Miscellaneous Income	\$ 100			\$ 50		\$ -	\$ 100	
01-4800 Grant Revenue	\$ 10,000			\$ 14,266		\$ -	\$ 10,000	
4900 Interfund Transfer IN	\$ 3,000						\$ 3,000	
Total 01-4100 REVENUE	\$ 510,569	\$ 89,812	\$ 75,145	\$ 22,022	\$ 35,236	\$ 164,958	\$ 510,569	32%
Total General Fund Resources	\$ 675,555	\$ 89,812	\$ 75,145	\$ 22,022	\$ 35,236	\$ 164,958	\$ 675,555	24%
01-6000 REQUIREMENTS - General Fund			01-5999 Inter-Govern Agreement (IGA)					
01-5001 Wage - District Manager	\$ 100,000	\$ 23,565	\$ 7,855	\$ 7,855	\$ 7,855	\$ 31,420	\$ 100,000	31%
01-5002 Wages - Operator	\$ 86,790					\$ -	\$ 86,790	
01-5003 Employer Payroll Taxes	\$ 24,376	\$ 1,890	\$ 603	\$ 1,336	\$ 603	\$ 2,492	\$ 24,376	10%
01-5004 PERS Retirement	\$ 49,836	\$ 1,396	\$ 2,094	\$ 2,094	\$ 2,792	\$ 3,490	\$ 49,836	7%
01-5005 Medical Insurance	\$ 18,963	\$ 2,290	\$ 763	\$ 57	\$ 1,585	\$ 3,054	\$ 18,963	16%
01-5006 Worker's Compensation Insurance	\$ 2,747	\$ 714				\$ 714	\$ 2,747	26%
01-6001 Administrative Services	\$ 78,512	\$ 11,930	\$ 3,834	\$ 3,168	\$ 7,763	\$ 15,764	\$ 78,512	20%
01-6002 Temporary Help	\$ -	\$ 18,885	\$ 3,950	\$ -	\$ 5,745	\$ 22,835	\$ -	
01-6003 Clothing Allowance	\$ 1,000	\$ 249				\$ 335	\$ 249	25%
01-6004 Education	\$ 3,000	\$ 611			\$ 390	\$ 611	\$ 3,000	20%
01-6005 Travel	\$ 1,500					\$ -	\$ 1,500	
01-6006 Office Supplies	\$ 3,250	\$ 1,138	\$ 446	\$ 156	\$ 251	\$ 1,584	\$ 3,250	49%
01-6007 Postage	\$ 2,500	\$ 245				\$ 245	\$ 2,500	10%
01-6008 Vehicle		\$ 749	\$ 183	\$ 741	\$ 111	\$ 932		
01-6009 IGA Legal		\$ 100				\$ 100		
01-6101 Temporary Help	\$ 12,223					\$ -	\$ 12,223	
01-6102 Auditing Service	\$ 9,000	\$ 7,500				\$ 7,500	\$ 9,000	83%
01-6103 Dues & Taxes		\$ 1,025			\$ 617	\$ 1,025		
01-6104 Legal Services	\$ 3,500	\$ 450				\$ 450	\$ 3,500	13%
01-6105 Liability & Property Insurance	\$ 12,512				\$ (59)	\$ -	\$ 12,512	
01-6108 Project Maintenance	\$ 40,000	\$ 4,985	\$ 108	\$ 225	\$ 4,036	\$ 5,093	\$ 40,000	13%
01-6109 Recurring Maintenance	\$ 25,000	\$ 7,154	\$ 465			\$ 7,619	\$ 25,000	30%
01-6110 General Maintenance	\$ 30,000	\$ 18,724	\$ 1,088	\$ 881	\$ 4,167	\$ 19,812	\$ 30,000	66%
01-6111 Chemicals	\$ 6,000	\$ 4,199				\$ 4,199	\$ 6,000	70%
01-6112 Notices		\$ 131				\$ 131		
01-6113 Payroll Administration Service		\$ 219	\$ 39	\$ 39	\$ 99	\$ 258		
01-6114 Professional Services	\$ 1,000	\$ 545			\$ 1,080	\$ 545	\$ 1,000	55%
01-6116 Utilities	\$ 10,000	\$ 3,586	\$ 1,106	\$ 1,168	\$ 1,535	\$ 4,692	\$ 10,000	47%
01-7500 Debt Service								
01-7501 IFA Water Plant Upgrade - Princ	\$ 17,365				\$ 7,724	\$ -	\$ 17,365	
01-7502 IFA Water Plant Upgrade - Int	\$ 3,407				\$ 1,424	\$ -	\$ 3,407	
01-8000 Contingency - Gen Fund	\$ 78,000					\$ -	\$ 78,000	
01-8001 Unappropriated Bal - Gen Fund	\$ 55,074					\$ -	\$ 55,074	
Total 01-6000 REQUIREMENTS - General Fund	\$ 675,555	\$ 112,278	\$ 22,534	\$ 17,719	\$ 48,050	\$ 134,812	\$ 675,555	20%
02-4000 RESOURCES - CAPITAL FUND	\$ 106,943					\$ -	\$ 106,943	
02-4100 REVENUE - Capital	\$ 355,000					\$ -	\$ 355,000	
02-4200 SDC Revenue	\$ 13,694	\$ 6,847			\$ 6,847	\$ 13,694	\$ 13,694	100%
Total 02-4000 RESOURCES - CAPITAL FUND	\$ 475,637	\$ 6,847	\$ -	\$ -	\$ 6,847	\$ 13,694	\$ 475,637	
02-6000 REQUIREMENTS - Capital Fund						\$ -		
02-7004 Asbury Creek Intake Move	\$ 355,000	\$ 10,767	\$ 1,950	\$ 12,518	\$ 3,632	\$ 12,716	\$ 355,000	4%
02-8000 Contingency - Capital Fund	\$ 60,000					\$ -	\$ 60,000	
02-8001 Unappropriated Balance	\$ 60,637					\$ -	\$ 60,637	

	FY 25/26	1st Quarter	Oct 2025	Nov 2025	Dec 2025	Fiscal Year to Date		
Total 02-6000 REQUIREMENTS - Capital Fund	\$ 475,637	\$ 10,767	\$ 1,950	\$ 12,518	\$ 3,632	\$ 12,716	\$ 475,637	3%
03-4000 RESOURCES - FOREST FUND	\$ 211,573					\$ -	\$ 211,573	
03-4002 Beginning Bal - Restricted Fund	\$ 77,852					\$ -	\$ 77,852	
03-4100 REVENUE - Forest Fund								
03-4300 Interest Income - Forest Fund	\$ 8,000	\$ 2,043	\$ 371	\$ 113	\$ 112	\$ 2,414	\$ 8,000	30%
03-4801 Business OR - ARPA	\$ 346,480	\$ 89,507		\$ 239,653		\$ 89,507	\$ 346,480	26%
03-4850 Private Donations Forest Fund	\$ 10,000					\$ -	\$ 10,000	
Total 03-4000 RESOURCES - FOREST FUND	\$ 653,905	\$ 91,550	\$ 371	\$ 239,766	\$ 112	\$ 91,921	\$ 653,905	14%
03-6000 REQUIREMENTS - Forest Fund								
03-6101 ODF - Fire Protection	\$ 3,028						\$ 3,028	
03-6102 Forest - Federal Audit	\$ 3,000						\$ 3,000	
03-6103 Legal/Land Use Fees	\$ 4,000						\$ 4,000	
03-6104 Finance Management	\$ 6,480	\$ 1,620	\$ 540		\$ 1,080	\$ 2,160	\$ 6,480	33%
03-6107 Road Management Consulting	\$ 25,000	\$ 9,809	\$ 902	\$ 1,181		\$ 10,710	\$ 25,000	43%
03-6108 Forest Management Consulting	\$ 3,000	\$ 363			\$ 2,277	\$ 363	\$ 3,000	12%
03-6110 Other Road Maintenance Services	\$ 125,000	\$ 54,083	\$ 75,507			\$ 129,590	\$ 125,000	104%
03-6111 Land Restoration	\$ 15,000	\$ 10,029	\$ 4,971			\$ 15,000	\$ 15,000	100%
03-6112 Miscellaneous	\$ 500						\$ 500	
Total Materials & Services	\$ 185,008	\$ 75,903	\$ 81,920	\$ 1,181	\$ 3,357	\$ 157,823	\$ 185,008	85%
03-7000 Capital Outlay - Forest								
03-7001 Road Construction	\$ 125,000	\$ 125,000				\$ 125,000	\$ 125,000	100%
03-7002 Road Decommissioning	\$ 50,000	\$ 50,000				\$ 50,000	\$ 50,000	100%
03-8001 Contingency	\$ 60,501						\$ 60,501	
03-8002 Restricted Balance	\$ 77,852						\$ 77,852	
7900 Interfund Transfer OUT	\$ 3,000						\$ 3,000	
03-8003 Unappropriated Balance	\$ 152,544						\$ 152,544	
Total 03-6000 REQUIREMENTS - Forest Fund	\$ 653,905	\$ 326,806	\$ 163,840	\$ 2,362	\$ 6,715	\$ 490,645	\$ 653,905	75%
Total Resources	\$ 1,805,097	\$ 188,210	\$ 75,516	\$ 261,788	\$ 42,196	\$ 270,572	\$ 1,805,097	
Total Expenditures	\$ 1,805,097	\$ 449,850	\$ 188,323	\$ 32,599	\$ 58,396	\$ 638,173	\$ 1,805,097	



Arch Cape Water and Sanitary Districts

32065 East Shingle Mill Lane
Arch Cape, OR 97102 • 503.436.2790

January 15, 2026

Office of the Secretary of State
Audits Division
255 Capitol Street NE, Suite 180
Salem, Oregon 97310

Plan of Action for Arch Cape Domestic Water Supply District

Arch Cape Domestic Water Supply District respectfully submits the following corrective action plan in response to deficiencies reported in our audit of the fiscal year ended June 30, 2025. The audit was completed by the independent auditing firm, Accuity, LLC, Albany, Oregon. The plan of action was adopted by the governing body of the District at their meeting on January 15, 2026, as indicated by signatures below.

The deficiencies are listed on the subsequent pages; the adopted plan of action and timeframe for each are listed below.

1. Deficiency #1

- a. **2025-001 Adequate Segregation of Duties:**
Arch Cape Domestic Water Supply Board of Directors has a contracted office administrator that assists the District in administration, billing services, bookkeeping and payroll services with the following protocols:
 - Staff opens mail, approve invoices, documents where expenditure should be categorized and submitted for payment;
 - Staff submits hours and details for payroll to be processed on the 15th and 30th of each month.
 - Bookkeeping Firm is on site weekly to enter bills, process payments, attach documents to Quickbooks and file invoices in the secure filing cabinet.
 - Checks are turned over to Staff/Board of Directors for signature and then mailed. Reconciliation of bank accounts are done by Bookkeeping Firm and handed over to the Treasurer of the Board for review and approval monthly.

- b. **Timeframe for, or date of, implementation:** Arch Cape Domestic Water Supply District Board of Directors implemented these changes in December of 2021 and is currently under contract with the office administrator for the 2025-2026 Fiscal Year. The Board of

Directors also hired a District Administrator on July 1, 2025 that will be assisting in implementation of process and procedures for the District to mitigate any issues due to the size of our staffing.

Signed by:

Owen Dufka, Board Chair

Date

Collin Stelzig, District Administrator

Date

***Attach schedule of findings from your board report**

ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
Clatsop County, Oregon

June 30, 2025

Finding Number	2025-001 (Repeat finding)
Finding Title	Adequate segregation of duties in most areas was impractical due to the limited number of employees. The District has, however, developed alternative procedures, which mitigate this condition to some extent.
Type of Finding	Significant Deficiency
Criteria	Ideally, staffing levels should allow for all areas of accounting responsibility (authorization or approval, custody of assets, recording transactions and reconciliations) to be performed independent of each other.
Condition	Due to limited staffing, complete segregation is not possible within the District
Cause of Condition	Finance staff is competent, capable and performs daily and monthly functions very well. Due to the size of the District, adding finance staff is not a feasible option, so the finding is created.
Questioned Cost	None
Potential Effect of Condition	There is a greater opportunity for misstatements in financial records, whether from fraud or error, to occur.
Prevalence	Systemic
Recommendation	We do not recommend any changes in staffing, but the Board of Directors should be aware of this deficiency and remain involved in mitigating controls that have been put into place.

AGENDA MEMORANDUM

TO: Arch Cape Domestic Water Supply District Board
FROM: Collin Stelzig, District Administrator
DATE: January 15, 2026
SUBJ: Work Truck Replacement – Funding Considerations

BACKGROUND

The Water District currently owns and operates a Ram 1500 work truck that is used for Water operations and shared operational needs with the Sanitary District. Staff has indicated that the existing truck is nearing the end of its useful life and should be replaced to maintain reliable operations, emergency response capability, and the ability to safely transport generators and equipment.

Both Boards have previously acknowledged the need for a replacement work truck, and this need is already reflected in the FY 2026–2027 Long-Range Financial Plan (LRFP). The purpose of this discussion is to consider the scope, timing, and funding approach for the replacement.

PROJECTED COST AND VEHICLE NEEDS

For planning purposes, staff recommends assuming a total project cost of approximately \$85,000, which would include the vehicle purchase and basic setup for utility operations.

Operational needs suggest a $\frac{3}{4}$ -ton truck to ensure sufficient payload and towing capacity for generators and equipment. Staff will prioritize reliability and safety and will evaluate:

- A new $\frac{3}{4}$ -ton extended-cab truck; and
- Quality used equipment, or potentially a $\frac{1}{2}$ -ton truck, if staff can demonstrate that operational requirements can be met.

FUNDING CONSIDERATIONS

The LRFP anticipated approximately \$37,500 from each district toward truck replacement. While the Sanitary District may be able to contribute its share in cash, the Water District's current cash position and upcoming capital obligations will make it impractical to fund its share entirely with cash at this time.

Staff has reviewed typical funding approaches used by Oregon special districts for vehicle and equipment purchases. Local banks routinely provide short-term, tax-exempt vehicle or equipment loans to public utilities, and staff anticipates that one or more local institutions should be able to accommodate this type of financing.

ESTIMATED FINANCING TERMS (PLANNING-LEVEL ONLY)

Based on web searches, staff anticipates the following approximate ranges for short-term vehicle financing:

- Loan Amount (Water share): approximately \$40,000–\$45,000
- Term: 3 to 5 years
- Estimated Interest Rate: approximately 4.0% to 5.5%

Approximate Cost Impacts (Water District Share)

Term	Estimated Monthly Cost	Estimated Annual Cost
3 years	\$1,200 – \$1,350	\$14,500 – \$16,200
5 years	\$750 – \$900	\$9,000 – \$10,800

These figures are planning estimates only and are intended to illustrate order-of-magnitude impacts. Actual terms would be brought back to the Board for review prior to any commitment.

COORDINATION WITH THE SANITARY DISTRICT

As an alternative to external financing, the Board may wish to consider whether to ask the Sanitary District if it would be open to providing a short-term inter-district loan to the Water District for its share of the truck cost. Either approach would allow the Water District to preserve operating reserves while moving forward with a needed equipment replacement.

NEXT STEPS

No action is requested at this time. Staff is seeking Board direction on:

- Vehicle size and procurement approach (new vs. used);
- Preferred funding strategy for the Water District’s share; and
- Whether staff should approach the Sanitary District regarding potential loan options.