Minutes of Twin Rocks Sanitary District

August 13, 2026, Board Meeting

Board Members

1) George Bean Board Member at Large
2) Joann Baker Secretary
3) Jerry Berndt Vice-Chair
4) Ron Hemberry Chairman
5) Jerry Stanfill Treasurer/Finance

Staff

1) Cory Perkins Plant Operations Manager
2) Jennifer McHugh Office Administrations Manager

Meeting Called to Order on Thursday, 8:55am.
Roll Call by Ron Hemberry. George Bean was absent, everyone else was accounted for.

Public Comments:
No Public in attendance.

Minutes:
Members read the Minutes for the July 9, meeting.
Motion to approve Jerry S Second, Joann B. Motion carried, Minutes approved.
Emailed Minutes to all Board Members 2 days before the Board Meeting for review and a copy printed for the meeting.

FINANCIAL REPORT & AUTHORIZATION OF BILLS:
Approval of Bills and the Financial Report – Checks # 5597-5615, EFT, and ACH payments.
Motion to approve Jerry B. Second, Jerry S. Motion carried. All bills are to be paid.
Two board members reviewed and signed all bills and payments before the meeting.

Committee Reports:
Safety Comm. (Cory) – nothing to report at this time.

Old Business:
Electronic Billing for July Quarter and AR – Went over a revised AR from the July meeting; Liens and LB-50 were ready to send to the county, half of the annuals had paid, the two big annuals for July are the Barview Jetty and Friends Camp, they had not paid by the July 9th meeting. Our AR for July 9th was $198k.
For the current meeting we had two home started sewer service in for the July Quarter as construction is complete; one in Pine Beach and one on Breaker. We did have 2 SDC payments come in for new construction that is starting; one in Barview and one in Pine Beach. Our 2 big annuals have paid now, and AR today is at $27k. We now have 134 auto payments set up for customers.

Update on LB-50 – I had one customer wait to the very last minute to send in her payment; her two properties are now off the list. I had 3 other customers that were on the list that I was able to set up a payment plan for different amounts on an auto pay set up every 2 weeks to help them with getting paid off, then set up a quarterly auto pay going forward for them. We started with 23 customers in April and ended with 13. For a total (including the $75 lien fee) of $9,298.66. The LB-50 got to the County on July 15th, the due date. In November the County will deduct 3% ($278.96) and we should receive $9,019.70. The Lien Resolution was read and signed: Resolution 2026/2027-1 – A resolution to Certify to Tillamook County Assessor to impose a lien on the Attached List of Property Owners for Non-Payment in the FY 2025/2026.

Audit Update & Reading of Resolution 26/27-3 – Our on-site with the auditors was Monday, August 10th. Everything went well. The only errors he found were the 2 that we usually have - inadequate segregation of duties and staffing limitations-the fact that we use an outside accountant (Dena). Which are the 2 we will always have with only one office person. He found no issues or errors to report and was happy our budget for next year (this current year), is positive and not negative as it has been the last few years. So, we are moving ahead in the right direction.
We needed to set up a resolution to define a new ruling in GASB Statement #103 for us and the Auditors. GASB #103 (Statement No. 103, *Financial Reporting Model Improvements*) is an accounting standard issued by the Governmental Accounting Standards Board in April 2024. It modernizes and refines the core financial reporting rules for state and local governments originally set by GASB 34. It applies to fiscal years beginning after June 15, 2025. We needed to choose the variance for our threshold to define the significant purpose of management's discussion and analysis in our budget to actual reporting as this new variance threshold is needed for the 25/26 audit. In the resolution Jennifer set the variance as a percentage/amount of 25% and/or at least over $10,000. She explained how this variance will work for our budget to actual reporting and that she did get confirmation from the auditors on the variance percentage/amount she chose. There was discussion by all, and all agreed the amounts set forth in the resolution were good. They can be changed with a resolution at any time going forward. The Resolution, 2026/2027-3 – A Resolution Establishing a Level of Significance for Accounting Changes & Error Corrections in Accordance with GASB Statement #103, was read. Joann motions to approve this resolution with the discussed variables as read, Jerry S seconded and all voted unanimously.

New Business:
Reading Resolution 26/27-2 – Wages and Payroll for 26/27 FY – As discussed and voted on at the July Board meeting the Wage and Payroll resolution for the 26/27 FY was read and signed.

New Lease for Watseco-Barview & Update on Twin Rocks Water District Lease – For Watseco, at the March meeting we agreed there would not be any increase in rent and their lease just needed to be updated. Jennifer updated the lease from a three-year lease to a five-year lease, added the phone and internet into section 5 for utilities covered by us, the lessor, and then adjusted the lease amount set forth in the addendum from 2022 adding these utilities. All agreed with the changes, the lease was signed and we will give it to Watseco to sign and give them a copy.
Update for the Lease for Twin Rocks Water District. From the March meeting, it was discussed if they are to hold public meetings here, we needed to add to the lease for them to carry liability insurance insuring us against all liability for damages to persons or property as we require Watseco to do this also. I emailed Scott and gave him 3 options for the new updated lease. 1 – take off the boardroom for meeting, turn in your keys, and use us only for your archived file storage that can be accessed only during our business hours. 2 – Keep the lease usage as it is and add for them to carry liability insurance for public meeting held here. 3 – If you are not using the boardroom for meeting, do you want to store your archived files elsewhere? Scott did reply that they may go with option 1, but he would need to circle back with the rest of their board and let me know. I am waiting to hear from him about their decision.

Next Board Meeting Date Change – Our next meeting is scheduled for Thursday, September 10th. Jennifer has a conflict for that day and asked if we can move the meeting day to the day before, Wednesday (9/9/2026) or Thursday (9/17/2026) the next week. After some discussion and looking at schedules, the board agreed Wednesday would work best. Jennifer will remind everyone of this change.

Correspondence –
SDAO email for Modern Oline Auctions for Special Districts

Letter from OR DSL – new web portal
OSHA – Virtual Public Hearing is scheduled for 8/26/2026

Staff Reports:
Plant – Cory: Our plant Effluent pump that was being repaired since December is now up and running. The VFD is now installed and programed. We installed the new anchors for the pump chains at the Jetty Lift Station. We did have a chance to use our new camera this month; Stark and Breaker were TVed. We ordered a new compressor for the shop; our old one had a catastrophic failure and needed to be replaced. Him and Martin have been working on clearing the brush around the ponds. Cory will be going to the OR Assoc of Water Utilities Conference next week in Seaside. If you do need him in anyway you can still call or text him while he is away. Martin will be here on his usual day on Wednesday.

Office – Jennifer: I have been working on retention and developing a policy for us. We are following the State's guidelines on retention. I have been working on scanning files and what can be shredded. Then will set rules for going forward. I will be on vacation from August 19 – 25. I will have my phone and will check emails while I am gone.

Board Concerns: none

Motion to adjourn Jerry S, seconded by Jerry B, the meeting adjourned at 10:10 am
Next meeting: September 9, Wednesday, 9am

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Ron Hemberry, Board Chairman **Date**