

COOS BAY-NORTH BEND WATER BOARD
P O BOX 539 – 2305 Ocean Boulevard
Coos Bay, Oregon 97420

Minutes
Regular Board Meeting

April 4, 2019
7:00 a.m.

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Chair Cribbins presiding. Other Board members present: Greg Solarz, Bob Dillard and Dr. Sharps. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; Jerre Cover, Water Treatment Supervisor; Karen Parker, Administrative Assistant; Board Legal Counsel Jim Coffey was present. Media present: None. Ron VanVlack of Point Man Ministries was present. Chair Cribbins opened the meeting at 7:00 a.m. and asked Dr. Sharps to lead the Board and assembly in the Pledge of Allegiance.

Chair Cribbins asked if there were any corrections or additions to the March 21, 2019, Regular Board meeting minutes. Dr. Sharps moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

Chair Cribbins asked if there were any public comments, and there were none.

The Board considered Point Man Ministries' request to waive System Development Charges and meter installation fees for the David Dewitt Veteran's Memorial site, and after a brief discussion motion was made by Dr. Sharps to deny the request for waiver of System Development Charges and any other fees relating to installing water service to the David Dewitt Veterans' Memorial site, but allow the General Manager to negotiate monthly payments for those fees and charges, in full, for a period not to exceed 24 months. The motion was seconded by Mr. Dillard and passed unanimously.

Engineering Manager Matt Whitty stated in 2012 Stuntzner Engineering completed a Watershed Management Plan for the utility. The timber volumes estimated in the plan were based on timber types and stand age with limited field checks. The information in the plan has found to be inadequate for planning future timber sales.

Timber cruising of the units selected for the 2017 timber sale revealed much less volume than anticipated. As a result, an alternate unit was selected as a portion of the harvest effort. This raised concern over the estimated volumes of timber elsewhere in the watershed.

The amount of \$50,000 is included in the current fiscal year's budget for harvest planning. After discussions with Stuntzner Engineering, and direction from the Board, staff proposes utilizing these budgeted funds for a comprehensive timber cruise and estimation of volumes for all merchantable and pre-merchantable harvest units.

Stuntzner has reviewed the total estimated harvest unit acreage totaling 1,388 acres and recommends cruising a majority of the units that are over 25 years in age. The scope includes 992 acres of timber cruising and analysis at an estimated cost of \$40,000. The information collected in the cruise of 992 acres can be utilized to grow the timber using Forest Projection System software.

Dr. Sharps asked how long Stuntzner Engineering has been surveyor of record for the utility. Mr. Whitty stated he believed since the 1990's. Dr. Sharps commented he feels \$40,000 is excessive, and the fact that it is an estimated cost, could end up being more. Mr. Whitty stated staff has never done any timber cruising here until we harvested the unit, and with the software they have they are able to take the cruise data and grow the timber so we can make long term projections, see what and how much is available. Dr. Sharps asked if staff could check with other forestry firms as to what they would charge to accomplish these tasks. Mr. Whitty stated staff could do this. Dr. Sharps mentioned some firms to check with. Chair Cribbins stated she agrees with Dr. Sharps and would like to obtain quotes. Attorney Coffey stated staff could issue a Request for Quotes since it is under \$100,000 and send it to any firm which staff feels may be qualified. It was the Board's consensus to put this on hold and have staff issue a Request for Quotes to other engineering firms.

Mr. Van Vlack entered the Board meeting at 7:15 a.m. Mr. Thomas updated Mr. VanVlack on the Board's motion stating there would not be a waiver of any System Development Charges or any other fees, but the Board would allow payments to be made over a 24 month period. Mr. Thomas asked Mr. VanVlack if there was any additional information that he was expecting. Mr. VanVlack asked what the exact cost would be and the timeframe of getting service. Mr. Thomas stated an application for service would need to be completed, and a payment plan set up. Once that is accomplished the work would be within 30 days. Mr. VanVlack was in agreement and met with the Customer Relations Supervisor to complete an application.

Regarding proposed Barham Terrace Main Replacement Project, Engineering Manager Matt Whitty stated staff proposes to install 150 feet of 2-inch PVC water main to replace approximately 180 feet of 2-inch diameter galvanized iron pipe serving Barham Terrace in Coos Bay at an estimated cost of \$15,000. This subdivision is on the high-level distribution system. This main serves four homes. The existing main has experienced leaks and is in poor condition. This cul-de-sac is accessed from West Park Roadway. The existing main is connected to a main on Ocean Boulevard and the route is along an easement that runs down a creek.

This project was originally budgeted in FY2017 with an estimated cost of \$30,000 to replace the existing 2-inch main with a new 2-inch main. Prior to getting Board approval, staff discussed the project with the Coos Bay Fire Chief and a fire hydrant was requested on Barham terrace. This would require placement of a larger diameter main in a very poor location. Staff did not move forward with the project due to design challenges: The route includes steep terrain with large diameter conifer and alder trees; proximity to a live stream; route passes close to a house, and an easement from homeowner would be necessary. Mr. Solarz asked where the closest fire hydrant is to the cul-de-sac. Mr. Whitty stated there is one on top of ocean Blvd and also a hydrant about 800 feet down from West Park Roadway.

Staff has researched alternative routes to serve the subdivision. The nearest high level water main is over 1,000 feet away, on North 14th Street. The approximate cost to extend an 8-inch

main on West Park Road is \$250,000. Extension of this main would have limited benefit because most of the property along this route is undeveloped parkland.

Mr. Whitty stated staff feels it is a high priority to replace the portion of the water main that is in poor condition at this time and reexamine alternatives for problem areas, such as this one, in the upcoming Master Planning. After a brief discussion, motion was made by Dr. Sharps approving the in-house design and installation for replacement of approximately 180 feet of 2-inch galvanized iron water main with 150 feet of 2-inch diameter PVC on Barham Terrace at an estimated cost of \$15,000. The motion was seconded by Mr. Dillard and passed unanimously.

Regarding the proposed Transportation Utility Fee Collection Intergovernmental Agreement (IGA) between the City of Coos Bay and the Board, and proposed Resolution No. 370, Mr. Thomas stated the IGA is based on the same avenue the utility has used to bill for other city services in Coos Bay and North Bend. Mr. Thomas stated the Coos Bay City Council approved the IGA which implements a monthly Transportation Utility Fee for its' residents at the rate of \$10 per residential unit and \$20 for all other service units. After a brief discussion, Dr. Sharps moved to adopt Resolution No. 370 and enter into the Intergovernmental Agreement with the City of Coos Bay for billing and collection services for the City's Transportation Utility fee effective May 1, 2019. The motion was seconded by Mr. Solarz and passed unanimously. The resolution read as follows:

RESOLUTION NO. 370

A RESOLUTION TO ADOPT A TRANSPORTATION UTILITY FEE COLLECTION INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF COOS BAY AND THE COOS BAY – NORTH BEND WATER BOARD

WHEREAS, the Coos Bay – North Bend Water Board (hereinafter "Water Board") is a joint instrumentality of the Cities of Coos Bay and North Bend, Oregon, organized and operated under the authority granted by the City Charters of Coos Bay and North Bend and ORS 225.050; and

WHEREAS, the Board of Directors of Water Board has the authority to adopt resolutions; and

WHEREAS, the Water Board and the City of Coos Bay (hereinafter "City") now desire to adopt an Intergovernmental Agreement to provide a basis for the Water Board to bill and collect the City's Transportation Utility fees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOS BAY – NORTH BEND WATER BOARD AS FOLLOWS:

1. The above recitals are true and accurate and are incorporated herein by this reference.
2. The Transportation Utility Fee Collection Intergovernmental Agreement between the City of Coos Bay and the Coos Bay – North Bend Water Board, identified as Exhibit "A", attached hereto and incorporated herein by this reference, is hereby adopted by the Board of Directors of the Coos Bay – North Bend Water Board.
3. Acting Board Chair is hereby authorized to execute the Intergovernmental Agreement hereby adopted on behalf of the Water Board.

Adopted this ____ day of _____, 2019

Exhibit A to Resolution No. 370

TRANSPORTATION UTILITY FEE COLLECTION INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT is between the City of Coos Bay, Oregon, (the "City"), an Oregon municipal corporation, and the Coos Bay-North Bend Water Board (the "Water Board"), a joint instrumentality of the City of Coos Bay and the City of North Bend, Oregon.

Recitals

1. The Water Board is a joint instrumentality established by the City of Coos Bay and the City of North Bend, which operates the infrastructure necessary to provide water within the geographic confines of the two cities.
2. The Water Board bills and collects the sanitary sewer fees assessed by the City for the use of the City's sanitary sewer collection and treatment systems.
3. The City has paid to the Water Board a yearly sum, in varying amounts, in compensation for the Water Board billing and collection services for the City's sewer collection and treatment system fees.
4. The City has now established a Transportation Utility Fee and has requested Water Board to also bill and collect that fee, in addition to the City's sewer collection and treatment system fees.
5. The City has advised Water Board that it will pay to the Water Board its reasonable charges for billing and collecting the City's Transportation Utility Fee.
6. The parties acknowledge the cost to the Board of providing such billing and collection services for the City's Transportation Utility Fee increases over time.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Term. This Agreement shall be effective as of May 1, 2019, and shall continue until terminated as provided herein.

Section 2. Water Board's Duties. During the term of this agreement the Water Board shall provide to the City billing and collection services associated with the City's Transportation Utility Fee, in a similar manner the Board has previously provided similar services for the City's sanitary sewer collection and treatment system fees.

Section 3. City's Duties. Effective May 1, 2019, the City shall pay to Water Board the following fees for the performance by Water Board of the duties described above, as follows:

1. A one-time fee for setting up the billing and collection services: \$ 1,810.00/total
2. An annual fee for the billing and collection services: \$18,036.00/year

The annual fee shall be paid by City to Water Board in equal monthly installments of not less than \$1,503.00 per month for Water Board billing and collecting the City's Transportation Utility Fee,

payable by City to Water Board not later than the 20th day of each month, for the prior month's services.

Annual increases in the annual payments shall be effective as of July 1 of each subsequent year, after 2019, in an amount equal to the preceding December's Municipal Cost Index (MCI), and the annual increase in the annual payments shall be adjusted each July that this Agreement remains in effect.

Section 4. Assignment. The Water Board shall not assign, transfer or attempt to assign or transfer, or permit any involuntary assignment or transfer of its rights or obligations under this Agreement, in whole or in part, without the prior written consent of the City.

Section 5. Severability. The parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

Section 6. Waiver. The failure of either party to enforce any provision of this Agreement shall not constitute a waiver by that party of that or any other provision.

Section 7. Termination.

7.1 This Agreement may be terminated at any time by mutual written consent of the Parties;

7.2 By City for any reason within its sole discretion, effective upon delivery of written notice to Water Board by mail or in person not less than 60 days prior to the termination date set by City for the termination of this Agreement;

7.3 By Water Board for any reason within its sole discretion, effective upon delivery of written notice to City by mail or in person not less than 60 days prior to the termination date set by Water Board for the termination of this Agreement;

7.4 If City terminates this Agreement for its own convenience, final payment to Water Board shall be prorated to, and include, the day of termination.

7.5 Termination under any provision of this paragraph shall not affect any right, obligation or liability of City or Water Board which accrued prior to such termination.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed:

City of Coos Bay

By: Joe Benetti, Mayor

Date

Coos Bay-North Bend Water Board

By: Melissa Cribbins, Board Chair

Date

The Board's next regular meeting was set for Thursday, April 18, 2019, at 7:00 a.m.

Updates were given as follows:

- Terramar Reservoir – Tarramar tank has been back in service for about 2 months and no complaints have been received regarding taste and odor.
- Millington Reservoir – Millington tank is back in service and no customer complaints to date.
- Coos River Highway Main Replacement – Request for Quotes needs to be prepared and sent out.
- E Street Main Replacement – This project is complete, with the exception of some paving that needs to be done.
- Madrona Street Main Replacement Design – Design is complete. Contract documents are in progress and plan to issue first part of May.
- City Sidewalk Projects – Eastside project-storm drain improvements are going to be added, there are apparent conflicts with the design and the Water Board's existing water mains. Staff is working with the City to modify their design to avoid water mains but they need more specific information that requires potholing to determine the depth. Water Board has offered to do the potholing work. The City will pay for the staking.

At 7:40 a.m. Chair Cribbins directed they go into executive session for the purpose of discussing personnel issues pursuant to ORS 192.660(2)(a) and labor negotiations pursuant to ORS 192.660(2)(d). They returned to open session at 8:06 a.m.

There being no other business to come before the Board, Chair Cribbins adjourned the meeting at 8:06 a.m.

Approved: _____, 2019

By: _____
Chair Melissa Cribbins

ATTEST: _____