

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

Minutes  
Regular Board Meeting

7:00 a.m.  
December 10, 2015

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: Dr. Charles Sharps, Dick Vigue and Greg Solarz. Board members absent: None. Water Board staff present: Rob K. Schab, General Manager; Ron Hoffine, Operations Director; Matt Whitty, Engineering Supervisor; Bryan Tichota, Customer Relations Supervisor; Jeff Howes, Finance Director; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Media present: None. Chair Cribbins opened the meeting at 7:00 a.m.

Chair Cribbins asked if there were any corrections or additions to the November 19, 2015 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.

Regarding the proposed Upper Pony Creek Dam Earthquake-Induced Embankment Deformation Analysis by AECOM, Mr. Schab stated the Board previously approved AECOM to perform a seismic hazard analysis for the Upper Pony Creek Dam in September 2015. The scope of the analysis was to compare seismic ground motions used for design of the dam to current anticipated seismic ground motions for this region. AECOM re-evaluated what the peak ground acceleration would be at the dam with the new data that has been generated over the last 20 years on subduction zone earthquakes. Seismic ground motions for southwest Oregon have been extensively studied over the past several years and design standards have evolved. The Upper Pony Creek Dam was designed in 1998-99 and constructed in 2000-01.

The design of the dam considered four possible earthquake scenarios:

1. A moment magnitude 6.5 event on the Barview fault 1.5 miles from the dam;
2. A 6.5 event on the Joe Ney fault 3 miles from the dam;
3. A 9.0 Cascadia subduction zone megathrust event 23 miles from the dam; and
4. A 7.5 Cascadia subduction zone interslab event 30 to 40 miles from the dam.

It was determined that a 9.0 Cascadia subduction zone megathrust event is the most significant earthquake to impact the dam, resulting in a Peak Ground Acceleration (PGA) of 0.42g as the basis for design. AECOM's analysis concluded that the current PGA for dam design is 1.14g, more than twice the 0.42g established in 1999. Staff proposes to retain AECOM to further analyze the dam for any embankment deformation that may occur from an earthquake with 1.14g PGA. The resulting report will discuss the significance of deformation and summarize the findings with recommendations. AECOM'S proposed fee for this work is not-to-exceed \$36,875.

Operations Director Ron Hoffine stated the proposed analysis will give staff recommendations and include possible next steps with any potential dam modification approaches. Mr. Solarz questioned the budget estimate proposed by AECOM stating he felt it was excessive and asked if staff could discuss with AECOM the possibility of reducing their budget estimate. Ms. Cribbins inquired if this analysis could be postponed until next year and be included in the utility's budget, as it is not included in the current fiscal year's budget. Mr. Hoffine said he feels it is prudent that this work be performed soon and he would contact Mr. Paxton to inquire about a possible reduction in their estimate. If this proposal is approved, funding would come from capital reserves. After a brief discussion, Mr. Vigue moved to approve the proposal as described in AECOM's November 25, 2015 letter in an amount not-to-exceed \$36,875. The motion was seconded by Dr. Sharps and passed unanimously.

Regarding the proposed Jordan Cove LNG Contract for Untreated Water System Improvements, Operations Director Ron Hoffine stated LNG is moving forward with their project on the North Spit. Recent discussions with Jordan Cove have been on work needed on the untreated water system in the dunes, mainly a new wireless SCADA system for well operation. Also needed is an upgrade to Well 44, demolition of the Dunes Control House, and retirement of some untreated water mains. Jordan Cove anticipates beginning work in spring 2016, and the Dunes Control House demolition and water main retirements must be done before or as part of the work. The proposed contract includes the following work items:

- 1) Upgrade Well 44 in the west Wellfield. Wells 44, 45 and 46 constitute the west Wellfield, and the head and pumping capacity of existing Well 44 is inadequate to contribute to the output of the wellfield. An upgrade will allow alternating use of the well and increase reliability of the west Wellfield. The west wellfield is currently used by Jordan Cove to maintain flows through the ocean outfall pipe.
- 2) Remove and dispose of the Dunes Control House on the North Spit. The existing telemetry equipment in the Dunes Control House is obsolete and the building is no longer needed. Jordan Cove's project will require fill materials placed at or near this location, and the structure must be demolished prior to placement of the materials. This work would primarily be performed by Jordan Cove's contractor.
- 3) Retire portions of the utility's untreated water mains and buried telemetry cable on the North Spit. This work would be performed by the utility's crew.
- 4) Project Management - Water Board staff would perform plan reviews and project management tasks.

Dr. Sharps inquired what the utility's costs would be for this work. Mr. Hoffine stated Jordan Cove would pay for the work. Mr. Schab said costs to the utility are primarily staff time. Costs to be deposited by Jordan Cove for work performed by the utility are \$17,000 for Well 44 upgrades; \$3,000 for demolition of the Control House; \$9,000 for retirement of untreated water mains and control cable; and \$5,000 for project management, for a total of \$34,000.

Jordan Cove has indicated they will fund a new wireless SCADA system for well operation in the dunes. Staff is currently researching design concepts and investigating the preferred procurement method for the project. Staff expects to present to the Board a contract for Jordan Cove for a new SCADA system in early 2016. After a brief discussion, Mr. Solarz moved to authorize the General Manager to execute the Jordan Cove LNG Contract for Untreated Water System Improvements as proposed. The motion was seconded by Dr. Sharps and passed unanimously.

Regarding the proposed General Manager's Employment Contract 22<sup>nd</sup> Amendment, Mr. Schab stated the amendment provides for three changes to his contract to include: 1) modifies his role from General Manager to an advisor role effective January 11, 2016; 2) provides for continued employment for transfer of leadership as an advisor for the Board and Mr. Ivan Thomas through April 1, 2016; and 3) eliminates vehicle allowance effective January 1, 2016. In addition, Mr. Schab requested unused hours of accumulated vacation leave, above the 40 hour carryover limit, be carried over to the first quarter following his anniversary date of January 10, 2016. Mr. Vigue inquired how many hours would be carried over. Mr. Schab said it was approximately an additional 80 hours over the 40 hour carryover limit. After a brief discussion, Mr. Solarz moved to approve the General Manager's Employment Contract 22<sup>nd</sup> Amendment as presented and allow the carryover of unused hours of accumulated vacation leave above the 40 hour carryover limit, as proposed. The motion was seconded by Dr. Sharps and passed unanimously.

Mr. Schab updated the Board on the Matson Creek Project. The closeout documents are being compiled by Billeter Marine. Mike Gray of ODF&W toured the site with Shannon Souza, completing a checkoff list. Mr. Gray has made his recommendation to Greg Apke of ODF&W to accept the project which would put in force the utility's waivers allowing us to reduce flows. One issue that needs to be confirmed is maintenance of the Matson Creek site. The waiver does not state the length of time and how often maintenance is required. ODF&W will issue a formal letter confirming the waivers for Upper and Lower Pony Creek.

Engineering Supervisor Matt Whitty updated the Board on the Minnesota Avenue Main Replacement Project stating there were 2 homes being served on that portion of the main. Mr. Whitty spoke with one homeowner and they commented how pleased they were with their increased water pressure.

The Board's next regular meeting was set for Thursday, January 7, 2016, at 7:00 a.m.

At 7:55 a.m. Chair Cribbins directed they go into executive session for the purpose of discussing current and potential litigation pursuant to ORS 192.660(2)(h). They returned to open session at 8:30 a.m. There being no other business to come before the Board, Chair Cribbins adjourned the meeting at 8:30 a.m.

Approved: \_\_\_\_\_, 2015

By: \_\_\_\_\_  
Chair Melissa Cribbins

ATTEST: \_\_\_\_\_