

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

Minutes
Regular Board Meeting

December 4, 2025
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 Bill Richardson presiding. Other Board members present: Greg Solarz, Rob Kilmer, and Carmen Matthews. Board Members absent: None. Water Board staff present: Ivan D. Thomas, General Manager; Jeff Miller, Operations Manager; Matt Whitty, Engineering Manager; Monica Kemper, Finance Director; Aimee Hollis, Customer Relations Manager; Junibert Magalona, Accounting Technician; and Stacey Parrott, Executive Assistant & HR Specialist. Board Legal Counsel Melissa Cribbins was absent. Media present: None.

Chair Richardson opened the meeting at 7:00 a.m. and led the Board and assembly in the Pledge of Allegiance.

Chair Richardson asked if there were any corrections or additions to the November 6, 2025, Regular Board meeting minutes. Mr. Solarz moved the minutes be approved as written. The motion was seconded by Mr. Kilmer and passed unanimously.

Chair Richardson asked if there were any public comments and there were none.

General Manager Ivan Thomas provided an update on the High-level Reservoir roof replacement project and reported that the work had been successfully completed. A slideshow was presented documenting the progression of construction over the course of the project, including images captured throughout the various phases of work. It was noted that the reservoir is a critical piece of infrastructure serving approximately 4,000 to 5,000 customers and holding approximately one million gallons of water. Due to its importance, the system remained in continuous operation throughout construction. To ensure proper system performance and prevent excessive downstream pressure, in-house staff coordinated and installed a pressure-sustaining valve, supported by hydraulic modeling from the recently completed Water Master Plan.

The roof replacement project encompassed approximately 10,000 square feet and included installation of a new under-roof system utilizing galvanized steel trusses, selected for durability and long-term performance. Construction was completed in approximately 2 months, with a total project duration of roughly three months, including preparatory work. The project was completed on schedule and within budget, with the contractor, Weathergaard, performing satisfactory work.

Following the presentation, Board members expressed satisfaction with the quality of construction, materials used, and overall outcome of the project. The Board received the update, and no action was taken.

Regarding the Board of Directors discussion concerning the FY2025 Coos Bay-North Bend Water Board Water Rates & System Development Charges (SDC) analysis

results, which had been under review for several months, General Manager Ivan Thomas summarized the rate design options previously presented by the rate consultant, FCS Group. The options, 1 through 5B, range from flat, across-the board increases to hybrid approaches intended to gradually move rates closer to cost-of service alignment while limiting impacts to specific customer classes. Mr. Thomas noted that the primary challenges addressed by the analysis were overall revenue shortfalls and disparities between customer class rates.

The Board continued its discussion focusing on balancing financial sustainability with affordability and community impact, particularly for commercial, industrial, and multi-residential customers. Several members expressed concern that moving too quickly to full cost-of-service recovery could result in significant rate increase for certain customer classes and potentially impact local businesses. It was noted that there is no statutory requirements to reach full cost-of- service recovery within a specific timeframe and that rates can be reviewed and adjusted annually as conditions change.

After discussion, the Board expressed a preference for Rate Design Option 5B, citing its gradual, predictable increases, consistency across business customer classes, and relative ease of explanation to customers. It was confirmed by staff that while Option 5B would require additional setup within the billing system, the software is capable of supporting the proposed rate structure. Board members also discussed the importance of customer and public communication and supported exploring additional assistance from the rate consultant to help explain the rationale for the rate changes through targeted outreach and public meetings.

The Option 5B rate design, illustrating the phased rate increases by customer class over the ten-year COSA period, is as follows:

Revenue Requirement Increase Phase-In-Plan	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	1.00%	1.00%	1.00%	0.00%
Residential	8.00%	8.00%	4.00%	7.00%	4.00%	8.00%	5.00%	2.00%	2.00%	2.00%	0.00%
Multiple Residential	8.00%	13.00%	12.00%	11.00%	10.00%	9.00%	9.00%	1.00%	1.00%	1.00%	0.00%
Commercial	8.00%	13.00%	12.00%	11.00%	10.00%	9.00%	9.00%	1.00%	1.00%	1.00%	0.00%
Public/Other	8.00%	13.00%	12.00%	11.00%	10.00%	9.00%	9.00%	1.00%	1.00%	1.00%	0.00%
Industrial	8.00%	13.00%	12.00%	11.00%	10.00%	9.00%	9.00%	1.00%	1.00%	1.00%	0.00%
Fire Service	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	1.00%	1.00%	1.00%	0.00%
Hydrant	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	1.00%	1.00%	1.00%	0.00%
Total Increase	8.00%	1.00%	1.00%	1.00%	0.00%						

Mr. Solarz moved to adopt rate design Option 5B, as presented by the FCS Group for the FY2025 Coos Bay-North Bend Water Board Water Rates & System Development Charges (SDC) analysis, and direct the General Manger to proceed with implementation planning and coordination with the consultant group FCS. The motion was seconded by Mr. Matthews and passed unanimously.

The Board's next regular meeting was scheduled for Thursday, January 15th, 2026, at 7:00 a.m.

Updates were given as follows:

- HVAC Replacement for Water Treatment Plant – it was reported that the contractor is scheduled to be on site next Wednesday to complete the installation. The work is expected to take one day, though it may extend into a second day if necessary. Staff

noted that the project timeline will allow the facility to have reliable heating in place just in time for the colder winter temperatures.

At 7:30 a.m. Chair Richardson directed they go into executive session for the purpose of discussing potential litigation pursuant to ORS 192.660(2)(h).

There being no other business to come before the Board, Chair Richardson adjourned the meeting at 7:44 a.m.

Approved: January 15, 2026

By: _____
Bill Richardson, Chair

ATTEST: _____