

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

Minutes
Regular Board Meeting

December 7, 2023
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 Vice-Chair Carmen Matthews presiding. Other Board members present: Rob Kilmer and Bill Richardson. Board Members absent: Greg Solarz. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; Jeff Miller, Water Treatment Supervisor; Aimee Hollis, Customer Relations Manager; Micah Demanett, Meter Services Supervisor; Melissa Cribbins, Board Legal Counsel; Rick Abbott, Distribution Supervisor and Vince Stonesifer, Field Services Technician, attended virtually; Riley Middlebrook, Project Manager from Brown and Caldwell (attended virtually); and Traci Olson (virtually). Media present: None.

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

Vice-Chair Matthews asked if there were any corrections or additions to the November 16, 2023 Regular Board meeting minutes. Mr. Kilmer moved the minutes be approved as written. The motion was seconded by Mr. Richardson and passed unanimously.

Vice-Chair Matthews asked if there were any public comments and there were none. Vice-Chair Matthews asked if there was anyone from the public appearing virtually. Traci Olson attended the meeting virtually. Ms. Olson inquired if the Water Board has applied for FEMA grants, or other grants that would provide seismic water mains, seismic water mains under a bridge, seismic water storage tanks, and seismic dams and if any grant applications were submitted had they been approved.

Mr. Thomas stated the Water Board has not applied for specific FEMA grants. The utility has applied for other grants such as sustainability or efficiency grants for the most recent grants that became available. The Water Board did not receive any of these grants. Staff applied for grant funds for the pump station replacement at Wisconsin, which is a major pump station for the Water Board, and efficiency with automated meter reading, and neither of these grants were received.

In addition, when the Water Board plans for upgrades, staff are working through the utility's master planning taking a seismic approach to it. The Water Board is looking at seismic vulnerability for our dams, the water treatment plant, and for pump stations, tanks and water mains.

When the Water Board plans a project staff requests the consultant to look at possibilities for grant funding that meets the criteria of the individual project. Staff also follows the timeline of the Oregon Resilience Plan for seismic events.

Mr. Thomas stated Engineering Manager Matt Whitty will be giving an update today on the seismic studies the Water Board is doing on Merritt Dam. A seismic study has been done on the Upper Pony Creek Dam. The next seismic study will be conducted on the Pony Creek Water Treatment Plant and from there follow the timeline set in the Oregon Resilience Plan.

Mr. Thomas asked Ms. Olson if this information was satisfactory in answering her questions. Ms. Olson stated the information was helpful and asked if there is a public transcript of the Water Board meeting minutes. Mr. Thomas stated the minutes of this meeting will be approved at the next scheduled Board meeting and then posted to the Water Board's website.

Mr. Whitty asked Ms. Olson if she is referring to the Emergency Community Water Assistance grants from FEMA and what specific grant program she is referring to. Ms. Olson stated she was not positive on the specific grant program, although she was told the City of Newport obtained grants to replace their infrastructure so they will have seismic water mains, including a water main that goes underneath the bridge, as well as seismic storage water tanks, and a seismic dam.

Mr. Whitty thanked her for the information and stated he is aware the City of Newport has received extensive funding for their dam upgrade, and he will check into it further to see what other grant opportunities they have taken advantage of. Ms. Olson stated they were all FEMA grants.

Vice-Chair Matthews thanked Ms. Olson for her comments.

Regarding proposed award of the SCADA System Master Plan, Mr. Thomas stated during the regular Board of Directors meeting held on April 20, 2023, approval was granted for staff to initiate the solicitation of proposals for a Request for Qualifications (RFQ) from qualified firms in the development of a SCADA system master plan for the Water Board. A significant portion of the Water Board's water treatment processes and pump stations operate as automated systems, necessitating a robust and resilient SCADA system for effective monitoring and control.

The importance of a SCADA system master plan plays a critical role in ensuring that our SCADA systems align with operational requirements, adapt to evolving technologies and demands, and contribute to overall efficiency. Investing in a well-designed SCADA system master plan holds the potential to enhance operational efficiency, bolster system reliability and resilience, facilitate informed and data-driven decision-making, and fortify system security.

Furthermore, the implementation of such a plan aligns with the organization's commitment to providing the community with a safe and uninterrupted supply of potable water. The SCADA system master plan will be instrumental in identifying and addressing key vulnerabilities that could render our automated equipment inoperable. Additionally, it will consider budgetary expenditures and the phased implementation of projects, contributing to a strategic and effective approach in advancing our water supply objectives.

Staff received proposals from five firms and reviewed and scored them according to firm experience, individual experience, project understanding, and project approach. While each of the five proposals met the fundamental needs of the Water Board, Brown and Caldwell's proposals unanimously scored the highest. This was due to their holistic understanding of our organization's needs and focus on key vulnerabilities, such as the need to enhance short-term resiliency while longer-term plans are underway, and their consideration of contingency plans, including how to operate the plant manually if the SCADA system were to fail.

Mr. Thomas asked Water Treatment Plant Supervisor Mr. Miller if he had additional input as to the importance of the SCADA system. Mr. Miller stated the SCADA system is the single point of failure. If it goes down, staff cannot produce water. Some of the consulting problems experienced is the consultant is 6 hours away, and time consuming getting a phone call back right away. The current system is outdated and is not reliable.

Riley Middlebrook, Project Manager from Brown and Caldwell was online to give a presentation of what a SCADA System Master Plan is and the components and scope of work. Ms. Middlebrook is based out of their Portland Office and has a lot of opportunities to come to the area to do site visits. The Brown and Caldwell core team consists of four individuals and they have national resources to backup as subject matter experts as needed. Kelly Kimball is principal in charge and located in Portland. Mr. Kimball runs the digital water group in the northwest, so he's been on SCADA master plans, smart utility efforts, and has an electrical engineering background. Leo Rogers is the automation engineer, a subject matter expert in that area and located in Seattle. Mr. Rogers has led a lot of these projects as well. Derek Gilmartin, will be the project engineer, the boots on the ground person located in Corvallis.

Brown and Caldwell staff engaged in negotiations with Water Board staff to define the crucial components essential for inclusion in the master plan within the utility's budget constraints. The scope of work and budget document is a result of these discussions, detailing the necessary activities and deliverables. This compilation aims to provide the Water Board with a comprehensive plan that aligns with the mutually agreed-upon priorities and financial parameters.

The Water Board has a variety of SCADA technologies that are employed both at the Water Treatment Plant and in the distribution system. This SCADA System Master Plan Project is intended to assess the Water Board SCADA infrastructure, determine if hardware and software technologies require replacement and to set the vision and needs of the Water Board both in the short term and in the long term. The Scope of Work is broken into the following components and Ms. Middlebrook reviewed each of these:

- Existing conditions assessment – To develop an understanding of the existing technology platforms in use for each of the major layers within the system. Review existing documentation and perform site visits of typical technology applications within the existing system to serve as a basis for the current state.

- Definition of future state – To define the long term technologies employed and functionality desired of the Water Board’s future SCADA system.
- Gaps analysis – Compare the current technology platform(s) and applications to the current and future needs and desires; identify gaps and alternative approaches to fulfilling the gaps. Develop a tactical, yet targeted approach to transform from the current state to the future desired state.
- Roadmap documentation
- Short Term Solutions Plan
- Funding Support

Ms. Middlebrook reviewed the benefits of having a SCADA Roadmap. With the roadmap, you can define some of the critical projects that you need to achieve your SCADA goals. As an organization, you can define what those goals are and the priorities as well. A SCADA roadmap lays out the most efficient way for those projects to be executed. The SCADA roadmap will also align the CIP planning needs as all the projects will be identified, there will be cost estimates, scheduled locations and all factors which are needed for future CIP planning.

The outcomes of this are obtaining a clear definition of the Water Board’s SCADA goals and have alignment on where are we headed, what are we doing, and how are we getting there. It will also support CIP planning via helping to plan and prioritize funding based on needs. Lastly, it should improve reliability, robustness and functionality and will increase the Water Board’s ability to meet the level of service goals for clients.

Vice-Chair Matthews thanked Ms. Middlebrook for her presentation. Mr. Richardson moved to authorize the General Manager to enter into a professional services agreement with Brown and Caldwell for SCADA system master planning work in the amount of \$132,212. The motion was seconded by Mr. Kilmer and passed unanimously. Mr. Kilmer inquired if these funds are included in the current fiscal year’s budget. Mr. Thomas confirmed the funds have been budgeted for this project.

Regarding proposed Resolution No. 404 Amending Coos Bay-North Bend Water Board’s Rules and Regulations Section III and Operating Policies Section VII to Include Policies and Procedures for an Automated Meter Reading Opt-Out Program, Customer Relations Manager Aimee Hollis stated an opt-out program would allow customers who may have concerns regarding communication methods that are utilized by the automated equipment an option to not have an AMR unit installed at their address. Prior to the pilot program installation, among many policies and processes for the new program, an opt-out program was briefly discussed. At the time, it was decided to assess the program before implementing an opt-out option. After more discussion during the November 16, 2023 Board of Directors meeting, the Board requested the General Manager and staff to draft an opt-out policy for consideration.

Staff have drafted the following proposed policy to be added to Water Board Rules and Regulations, Section III. Service Policies

J. Automated Meter Reading Opt-Out Program

1. The Water Board has implemented an Automated Meter Reading (AMR) program to be able to obtain monthly water meter readings remotely. While scientific research supports the safety and accuracy of the AMR

system, the Board understands that a very limited number of customers may have concerns regarding communication methods that are utilized by the automated equipment in order to transfer information from the water meter to its destination device.

2. The Water Board offers customers the choice to opt-out of the AMR program for their service address. Customers may choose to opt-out of the AMR program by applying for and paying the cost associated with the installation and ongoing monthly manual meter reading and billing fees of a non-AMR meter. These charges are in accordance with the current schedule of charges as listed in Section VII; C. Miscellaneous Charges of the Water Board's Operating Policies.
3. Customers who choose to opt out of the AMR program with meters in size of 1-inch and below are subject to AMR opt out fees A & B. Customers with meters in size ranging from 1.5-inch and 2-inch are subject to AMR opt out fees A & C. Customers with meters larger than 3-inch are subject to AMR opt out fees A & D. Customers who choose to opt out prior to the initial AMR installation at their location, may be eligible for waiver of any one-time non-recurring fees if in the discretion of the General Manager substantial work has not been completed to the meter location.
4. If a customer with an opt-out agreement in place terminates water service with the Water Board at the said location, the Water Board reserves the right to change the non-AMR meter to a working AMR meter.
5. Assuming the meter has not already been changed to an AMR meter. New customers who move into premises that currently have a non-AMR meter, have the choice to keep the non-AMR meter by paying the ongoing monthly charges.
6. Monthly AMR opt-out charges are in addition to all other charges accrued monthly from the Water Board.

Per the proposed policy additions, staff also suggest implementing changes to its Operating Policies, Section VII. – Schedule of Rates, Fees, Charges, and Surcharges; C. Miscellaneous Fees/Charges. For customers who wish to apply for the AMR opt-out program, these changes consider the average monthly cost of reading a water meter while staff are already along the meter reading route, currently \$20.00 per meter. The policy also considers customers who live at, or move to an address that already has an AMR installed and requests to change the meter to a non-AMR meter. These fees establish the average cost of changing a meter 2-inches or less while only giving quotes for meter changes above 2-inches.

AMR Opt-Out Fee (See Rules and Regulations, Section III. J. for further information)

<u>AMR Opt-Out Fee Schedule</u>	<u>Fee</u>	<u>Frequency</u>
A. Manually read the non-AMR meter (per meter)	\$20.00	Monthly
B. 1-inch or less meter change out fee	\$122.00	One Time
C. 1.5-inch & 2-inch meter change out fee	\$479.00	One Time
D. 3-inch & larger change out fee	Quote only	One Time

An Automated Meter Reading Opt-Out Application has been drafted. If approved, customers who wish to opt out can come into the Water Board office and meet with Customer Service to obtain information about the AMR Program/pricing and if they wish to opt out they can complete the Opt-Out Application form.

Mr. Kilmer asked when new services are put in at this time will they be the new AMR meters or the old meters first. Mr. Thomas stated staff are getting to that point but cannot read the new AMR meters without the drive-by system, so when staff gets to a certain point we will start installing all new AMR's on everything, which would probably be somewhere between 60 and 75% complete AMR. Staff will reach 50% completion within the next couple of months.

After a brief discussion, Mr. Kilmer moved to adopt Resolution No. 404, amending Coos Bay-North Bend Water Board Rules and Regulations Section III. and Operating Policies Section VII. to include policies and procedures for an AMR opt-out program. The motion was seconded by Mr. Richardson and passed unanimously. The Resolution read as follows:

RESOLUTION NO. 404

REVISIONS TO COOS BAY-NORTH BEND WATER BOARD'S RULES AND REGULATIONS, SECTION III "SERVICE POLICIES" AND OPERATING POLICIES, SECTION VII (C) PERTAINING TO AUTOMATED METER READING OPT-OUT PROGRAM

WHEREAS, by and pursuant to the authority vested in the Coos Bay-North Bend Water Board (Board) through the respective Charters of the Cities of Coos Bay and North Bend, Oregon, and the laws of the State of Oregon, said Board has the right and authority to make effective regulations and service policies in connection with the operation of said water system; and

WHEREAS, Board has reviewed its Rules and Regulations/Operating Policies and found it prudent and beneficial to make additions to Section III (Service Policies) of those Rules and Regulations pertaining to Automated Meter Reading Opt-out Program.

NOW, THEREFORE, be it resolved that Section III of the Rules and Regulations and Section VII(C) of Operating Policies of Board be modified as shown on attached Exhibit "A", incorporated herein by reference, effective immediately.

Said modifications in the Board's Rules and Regulations and Operating Policies shall remain in full force and effect until changed by appropriate action of Board.

Adopted this ____ day of _____, 2023.

COOS BAY-NORTH BEND WATER BOARD

By _____

EXHIBIT "A"

Rules and Regulations

SECTION III - SERVICE POLICIES

A. Application for Service

1. The Water Board will require each customer to make application for water service. Application must be made in writing or in person at the office of the Water Board.^{13, 44}
2. The application shall set forth:⁴⁴
 - a. Service address;
 - b. Mailing Address;
 - c. Such information as the Water Board may require to determine which rate shall apply, or such other information as the Water Board may reasonably require;
 - d. Information to verify the identity of the applicant; and
 - e. Signature of applicant.
3. Application Exceptions
 - a. ^{13, 44}Notwithstanding the provisions of paragraph 1 above, current or past customers of the Water Board who wish to become the customer of record receiving service at the same or a different location without coming into the office to sign an application may do so by:
 - (1) Calling the office by phone and giving the required information; or
 - (2) Mailing or faxing a letter to the Board giving the required information.
 - b. ⁴⁴To qualify for the exception contained in subparagraph a. (1) and (2) above, the customer must have maintained a satisfactory credit rating and payment history in the previous account or accounts with the Water Board and not have given false information to the Water Board in any application for service. Customers who are found to have given false information or have

had an unsatisfactory payment history with the Water Board may be required to come into the office to complete an application for service after the fact if service to them is to continue.

4. The application is merely a written request for service and does not, in itself, bind the Water Board to serve. (See Section IV - Responsibility and Service Preference.)
5. ⁴⁴Service may be discontinued or new service may be refused at a service address if a new customer has not made the proper application for service.
6. ^{9.44}Recognizing that property owners, landlords, or rental property managers may find it necessary or desirable to leave water turned on at a rental unit between tenants for cleaning, repairs, remodeling, or for convenience and customer goodwill, the following provisions shall apply to all service situations where tenants sign up for and are responsible for payment of water bills at a rental unit. Nothing in this section is meant to limit an owner, landlord, or rental property manager from becoming the customer of record at any time. Also, an owner, landlord, or rental property manager reserves the right to direct turn-ons and turn-offs at all times. However, should the owner, landlord, or rental property manager's desired turn-on or turn-off conflict with the customer of record's, and the owner, landlord, or rental property manager is not willing to become the customer of record, then the Water Board must follow instructions from the customer of record.
 - a. The Water Board may, at its discretion, leave the water turned on. A "Two-Day Card" notice will be left at the premises, giving the prospective new customer two business days to apply for service. If application for service is not made within the allotted time, service may be discontinued.
 - b. The Water Board may, at its discretion, turn *off* and lock a water service when a tenant calls to close his account. The water will not be turned on again until a new tenant signs up for service at that location. Should the landlord, owner, or rental property manager desire the water turned on between tenants for any reason, the landlord, owner, or rental property manager shall apply for service, pursuant to Section I11.A.1-3, and become responsible for minimum and per unit consumption charges.
7. ⁶⁵Identity Theft Prevention Program - The Water Board administers an Identity Theft and Prevention Program in compliance with Federal "Red Flag" rules. This program controls reasonably foreseeable risk to customer account information. The Water Board reserves the right to open, maintain and close accounts in conformance with the program.

B. Credit Establishment and Deposits

1. ⁴⁴All applicants for water service shall have acceptable credit ratings as determined by the Board. Credit will be deemed established:
 - a. If the applicant makes a cash deposit with the Water Board to secure payment of bills for service. The deposit is to be a sum equivalent to twice the estimated amount of one month's water bill, including sewer and/or applicable surcharges.
 - b. If the applicant, for a reasonable time in the past, has promptly paid all accounts due the Water Board and otherwise convinces the Water Board that bills rendered will continue to be paid when due.

- c. ⁴⁴If the applicant provides the Board with a letter of credit from another utility and the information contained in the letter is satisfactory to the Board.
 - d. ⁴⁴Residential customers will generally be excluded from the requirements of Ill.B.1.a-c above. However, residential customers will be required to make a cash deposit in an amount satisfactory to the Board when there is a history of delinquent payments.
2. Re-establishment of Credit
- a. An applicant who has been a customer of the Water Board and whose service has been discontinued for failure to pay his bill may be required to re-establish his credit by making a cash deposit in an amount satisfactory to the Board before reconnection of service is made.
 - b. An applicant who has been a customer of the Water Board at the premises or at some other premises than those specified in the application and who still owes the Water Board for unpaid bills for materials, labor, water, or any other charges may be required to pay all outstanding bills plus statutory interest and be required to establish his credit as provided under Section 111.B.1.a-d before connection for service is made. Service may be denied anyone who uses any subterfuge whatsoever to avoid payment for service.
3. Deposits and Return of Deposits
- a. At the time of deposit, the applicant for service, or customer, will be given a receipt. Deposits shall bear no interest.
 - b. The return of the deposit will be made upon surrender to the Water Board of the deposit receipt properly endorsed or upon signing of a cancellation receipt when the service is discontinued by the customer, except where there are charges due the Water Board for water service to the customer or for materials or labor, in which case the deposit will be applied to the charges and the excess portion, if any, of the deposit will be returned.
 - c. At the option of the Water Board, the return of the deposit may be made at the expiration of one year from the time of deposit, provided the customer's credit has become satisfactorily established by prompt payment of all accounts due to the Water Board.
 - d. ⁴⁴After reasonable attempts by the Water Board to return balance of deposit, it will be kept on file for ninety (90) days after which the customer shall forfeit said deposit to the Water Board, and it will become part of the general fund.

C Service Application Contracts

- 1. Upon acceptance of service application and payment of all charges, including deposits, the service application shall be considered as a contract in which the applicant agrees to abide by such rates, rules, and regulations as are in effect at that time or as may be thereafter adopted or modified by the Board. Customers who have qualified for an application exemption under Section 111.A.3 show by their use of water that they agree to be bound by this section even though they did not sign a service application.

2. When the customer's requirements for water service are or become unusual or large, or necessitate considerable special equipment, capacity, or special rates, the Water Board may require a contract for an extended period and may also require the customer to furnish security satisfactory to the Board against loss and to guarantee the performance of the provisions of the contract.
3. The Water Board reserves the right to make special contracts, the provisions and conditions of which are different from or have exceptions to the regular published schedules. The special contracts shall be in writing and executed by proper officials.
4. Except for special contracts which specify the length of time to which the contract rate shall be extended, all rates, rules and regulations are subject to change or modification by the Water Board.
5. Each customer about to vacate any premises or who desires water service discontinued for any other reason, shall give notice of his desire specifying the date service is to be discontinued; otherwise, he will be responsible for full payment of all charges to such premises until the Water Board receives notice of discontinuance.
6. No customer receiving water service from the Water Board shall allow any other potential water user to connect to the Water Board's service line, or to the customer's water supply system. Further, no customer shall provide water to a potential water user in an effort to avoid the Water Board's service policies, rates, fees and charges. Any customer who permits or allows another potential water user to connect to his water supply system and/or supplies the potential water user with Water Board water is subject to having the customer's water service terminated upon notice from the Water Board. Any potential water user who receives water supplied by the Water Board through a connection to another customer or by means supplied by a customer of the Water Board water supply system shall be liable for the cost of the water received and all other applicable fees and charges. The Water Board reserves the right to refuse service to potential customers who willfully avoid complying with Water Board Rules and Regulations governing the application for and receipt of for water service.

D. Billing, Payment, and Non-Payment of Bills^{85, 95}

1. All customers will be billed for services on a monthly basis.
2. The Water Board may enter into Intergovernmental Agreements with Cities or other Governmental organizations, within the Water Board's service boundary, to authorize the Water Board to bill charges and/or fees for services provided by such City's or other Governmental organizations, to collect payments for the charges and /or fees billed, to transmit the payments collected to the Cities or other governmental organizations, and to enforce the collection of the charges and/or fees billed for such other Cities or other Governmental organizations.
3. Bills for all services are due and payable on the billing date and become ⁴⁴past due fifteen (15) days thereafter. All bills become delinquent on issuance of a two-month bill.
4. Payments received from a Water Board customer will be processed and applied to customer accounts in the following priority: First, to water service; second, to Water Board meter charges; third, to any Water Board miscellaneous fees; fourth, to any Water Board surcharge fees due. The

application of payments received from Water Board customers that pay for municipal or other governmental services as provided in paragraph 2, above, shall be applied by Water Board according to the priority established in the Intergovernmental Agreement.

5. The Water Board shall not act upon any customer request to apply a payment to any specific priority listed in Paragraph 4, above, and, further, shall not apply a customer payment in any priority other than as contained in an adopted Water Board procedure or Intergovernmental Agreement.
6. If customer has a past due balance, the Water Board shall apply payments made on the account first to any past due balance and then to new charges as provided by the priorities as provided in paragraph 4 above.
7. Service may be discontinued to customers having delinquent bills or invoices if, in the judgment of the Water Board, such action is necessary to enforce collection.
8. ⁴⁴At least five days before service is disconnected for a delinquent bill, a final written notice of such action shall be provided to the customer. The notice must be printed in boldface type and must state in easy to understand language the following:
 - The reasons for the proposed disconnection;
 - The earliest date for disconnection;
 - The amount required to be paid to avoid disconnection;
 - An explanation of the Water Board's appeal process.

This final written notice may be served on the customer by personal service or by sending it by first class mail to the last known address of the customer and/or the customer's designated representative. Service is complete on the date of mailing or personal delivery.

9. ^{44, 95}A notice of intent to disconnect service shall be issued to the customer at least forty-eight (48) hours prior to such disconnection. A service charge shall be charged to any customer to whom a 48-hour notice is issued. If payment in full of the amount specified in the final notice and the charge is not received by the Water Board in its main office within the allotted time, service may then be disconnected. An applicable delinquency charge shall be made on all accounts to which a final notice has been mailed if the specified payment has not been made in the allotted time as defined above. (See Section VII of Operating Policies for current charges.)
10. ^{44, 95}Resumption of service after discontinuance or termination for non-payment of bills shall not be made until payment of the delinquent bill is received in the office of the Water Board plus applicable delinquency charge, cut-off notice charge, and lock charge as listed in Section VII of Operating Policies. In cases involving a backflow prevention assembly, there may be additional charges (See Section V of Rules and Regulations).
11. Unauthorized resumption of service by the customer will result in additional charges to recover the actual costs to the Water Board of re-terminating the service and repairing damage.
12. ⁴⁴If within the five-day period for making payment provided in paragraph 8 above any affected customer wishes to dispute the delinquent bill or the proposed

discontinuance or termination of service, that customer may contact the ⁵³Finance Director or his/her designee of the Water Board to discuss the customer's disagreement with the Water Board's action. To request any meeting, the affected customer should call the Water Board or go to the Water Board offices in person not later than 5:00 p.m. on the working day prior to the date water service is scheduled to be discontinued.

13. The Water Board has discretion to make payment arrangements with the affected customer, depending upon the customer's ⁵³necessity for credit arrangements, previous payment record, current account status, and the customer's ability to pay. If reasonable payment arrangements are not made or there are no reasonable grounds for the customer's disagreement with the Water Board's proposed termination of water service, water service will be discontinued or terminated unless payment in full of all delinquent bills is made by 5:00 p.m. on the date scheduled for discontinuance or termination.
14. ⁵³If payment arrangements (Credit Agreement) are made but the customer fails to adhere to the mutually agreed upon payment schedule, the discontinuance or termination of service process due to non-payment will be started by giving the customer a 15-business-day written notice of termination of service, followed by a 5-business-day written notice of termination of service, as well as a 48-hour notice as provided for in paragraph 111.D.9 above. The notices shall inform the customer that service will be disconnected on or after a specific date and shall explain the alternatives. The notice may be served in person or sent via first class mail to the last known address of the customer. Service is considered complete on the date of mailing or personal delivery.
15. ⁴⁴If disputes regarding delinquent bills or discontinuance or termination of service cannot be resolved informally by the ⁵³Finance Director or his/her designee, the customer shall be notified of the right to appeal the Water Board's action to the General Manager. This request must be made in writing and must be presented to or received by the General Manager within five days of the date of the previous adverse decision by the ⁵³Finance Director or his/her designee. The General Manager shall, within five days of receipt of the written appeal, render his decision and mail a written notice to the customer.
16. ⁴⁴Any customer who is not satisfied with the written decision rendered by the General Manager shall be informed of the right to appeal such decision to the Board of Directors. Any such appeal must be in writing and shall conform to the requirements of this section. Any such appeal must be delivered to the offices of the Water Board no later than five (5) calendar days from the date the General Manager rendered a decision adverse to the customer. The written appeal to the Board shall contain the following information:
 - a. The date of the appeal to the Board;
 - b. The facts and grounds upon which the request for relief is made;
 - c. The signature of the appellant or his/her attorney;
 - d. If service is to be restored pending the appeal, payment in full of all delinquent bills.

Any such appeal will be scheduled by the Board for hearing at a special or regular meeting of the Board. Notice of the time, date, and place of the hearing will be mailed to the customer by first class mail to the last known address of the customer.

17. ^{44,95}Pending resolution of the dispute, the customer's obligation to pay undisputed amounts continues. A customer who has appealed a delinquent bill or discontinuance or termination of service to the General Manager or to the Board may be entitled to continued or restored service provided:

- a. Service was not terminated for theft of service or failure to establish credit;
- b. A bona fide dispute exists in which the facts asserted by the customer, if favorably resolved to the customer, would entitle the customer to service;
- c. Where discontinuance or termination is based on nonpayment, the customer makes adequate arrangement to avoid future loss to the Water Board, such as prepaying monthly water charges; and
- d. The customer diligently pursues the appeal.

If the above conditions are not met, the Water Board has no obligation to restore service once it is discontinued or terminated. If service is temporarily restored pending the Board hearing the customer's appeal and the conditions described in subparagraph cord above are not met, the Water Board may again discontinue or terminate service by providing 48-hour notice, describing the defect in performance and the date and time service will terminate.

18. ⁴⁶A summary of the foregoing procedure shall be provided to any customer disputing a delinquent bill or proposed termination of service. This summary shall be provided at the time required in Section 111.D.8.

19. ⁴⁴Service shall not be turned off on the day prior to a holiday or weekend, unless ⁵³a potential or actual health hazard exists.

20. Service may be discontinued or new service may be refused at a location under any of the following circumstances:

- a. ⁴⁴If the customer has a delinquent bill or outstanding invoice from any location;
- b. Where an account has been closed and the customer has turned on the service himself or he otherwise began use of the water service before contacting the Water Board to apply for the service and before the Water Board has had an opportunity to read the meter;
- c. ⁴⁴A delinquent bill has been incurred by a customer of record at a service address. A new applicant for service resided at the service address above during the time the delinquent bill was incurred and/or the old customer of record will continue to reside at the service address.
- d. In cases involving a backflow prevention assembly, see Section V of Rules and Regulations.

21. ³⁷A customer of the Water Board who has paid with a check which is then returned to the Water Board from the drawer's bank due to non-sufficient funds (NSF) in that account, or for any other reason, shall be charged a service fee reflective of the Water Board's cost of service (See Section VII of Operating Policies for current NSF fee).

22. At the time specified by the customer that he expects to vacate the premises where service is supplied or that he desires service to be discontinued, the meter will be read and a bill rendered. The customer will be charged for consumption used or the prorated minimum provided for in the schedule applying to the class or classes of service furnished, prorated on the basis of the number of days in the period in question to thirty (30) days.
23. ⁴⁴If, at the customer's request, the water is temporarily shut off and turned on, or vice versa, such as for emergencies, plumbing repairs, or vacations, no charge shall be made for the Water Board's costs involved. If this temporary turn off exceeds ninety (90) days, it will be considered permanent. The customer's account will be closed, and any customer desiring water service at that location will have to apply for service as in Section III. A and pay the turn- on fee.
24. Any customer who applies for water service at any location shall pay a turn on fee (see Section VII of Operating Policies for current fee). Exceptions may be allowed at the discretion of the Board. (See Operating Policies, Section VIII, for exceptions already approved.)

E. Services

1. The installation and maintenance of service lines shall be performed only by the Water Board.
2. The size of the service line pipe and meter shall be proposed and documented by the customer. Meter and service sizes shall be approved by the Board.
3. The Water Board shall determine the location of the tap to the main and also the meter location. The meter shall be located as in Section VI.
4. Shenice lines will be owned and maintained by the Water Board including service lines, meters, valves, and meter boxes. Existing services will be relocated or changed in size at the request of a customer provided the full costs of such change or relocation be paid by the customer.
5. ⁴⁴All charges for installation of service lines shall be paid in full by the customer before service is installed.
6. The customer shall identify the premises to be served by any water meter. Such service plan shall be subject to Board approval. Failure of the customer to serve the premises in accordance with the approved plan may result in termination of water service.

F. Abandonment of Service Lines

1. After installation of a service line, the Board shall be responsible for its maintenance at no cost to the customer where no change in use characteristics, meter position, etc., occur. If a customer orders the service discontinued or abandons the use of a service line for a period of ten years, the Board is not further responsible for its maintenance and may disconnect such service from water main. The cost of such disconnection shall be Board cost and not customer cost unless it is part of a rearrangement or resizing project.

2. ⁴⁴Once a service line is abandoned, a customer desiring new service shall be required to pay all charges and fees then in effect.

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G. New Service Installation Charge

1. Each application for use of water shall be accompanied by the amount set forth in Section VII of Operating Policies for the size of connection desired or permitted in addition to permit administration fee, if applicable.
2. Temporary services up to and including size two-inch (2"), such as are used for construction or other purposes, shall be charged at the actual cost of installation, maintenance, and removal.
3. For services along rights-of-way requiring permits, a permit administration fee shall be charged in addition to the new service charge. (See Section VII of Operating Policies for current fee.)
4. ²¹Hauser Area Surcharge - In addition to all applicable fees and charges referred to above, service connections made to the existing lines north of the Shorewood Treatment Plant and to any extensions of those lines will also be charged a connection surcharge as listed below (See Section VII of Operating Policies for current surcharges). These charges apply to the following customer classifications: Residential, Multiple-Residential, Commercial, Industrial, Public Agencies, and Other Customers.
 - a. A connection surcharge to be applied towards pay-back of the amount loaned from the Outside Fund.
 - b. A connection surcharge to be applied towards pay-back of the amount loaned from the Oregon Economic Development Department.
 - c. In addition to the above charges, customers connecting to a main line paid for in full or in part by others may be charged an additional connection amount specified by contract with the party or parties who have advanced funding for that main. The sums collected under this provision are to be refunded to the party originally advancing the funds.
 - d. All such surcharges listed above will continue to be collected until the full balance of the appropriate loans or contracts have been fully repaid or until the expiration date of the contracts, whichever occurs first.

H. Temporary Service⁴⁴

1. For water service of a temporary nature, the customer shall deposit the full estimated cost of connection and disconnection prior to installation. If the actual costs of connection and disconnection are less than the estimated cost, the difference will be refunded to the customer upon disconnection and settlement of all services for water. If the actual costs are greater than the estimated cost, the customer shall pay the balance due upon disconnection and settlement of all services for water. Customers desiring temporary water service shall be required to contract with the Water Board for such service.
2. Any service for less than one year will ordinarily be considered temporary service. Temporary services may be extended beyond one year at the discretion of the Water Board for good cause shown. After one year or at such other time as determined by

the Water Board to be appropriate, temporary service shall be categorized as permanent service, and the customer shall then pay all charges and fees then in effect for permanent service. The Water Board shall notify any such customer of a change in status from temporary to permanent.

I. System Development Charge^{55, 57}

1. A system development charge (SDC) shall be paid by any customer who connects to the system or increases meter size. Such charge shall be as established in Water Board Resolution Nos. 218 and 219, and in accord with the current schedule of charges as listed in Section VII of Operating Policies. The SDC shall be in addition to the cost of such service installation.
2. ⁵⁵SDCs may be paid at the time of service installation or at the time that the meter is first requested by a customer on a service where an SDC has not been previously paid. An SOC is not due on services installed prior to July 1, 1981.
3. These charges do not apply to fire or ⁴⁴temporary services.
4. ⁴¹The Cities of Coos Bay and North Bend, as owners of the system of water works, shall be entitled to a credit in the amount of the total SDCs established above which shall be applied to any SDC imposed upon either city for city owned and operated public use water system connections or changes in water use.
5. ⁴⁴If it is discovered that a residential customer has connected to another customer's service without the Board's knowledge and both of these customers are being served as if there were only one customer there, and if that customer volunteers to install another meter to separate the two services, this may be done without charging the customer an SDC for the new service. When using this rule, care needs to be exercised to prevent customers from deliberately avoiding the SDC. The purpose of this interpretation is to make it easier for this type of customer to comply with the provision of Section 11.A.2.
6. ⁵⁵For services installed prior to July 1, 1981, where ⁵⁷more than one building ⁵⁷or use has been served through a single meter, installing additional services and meters to separate service to each building ⁵⁷or use shall not require the payment of SDCs as long as the separation does not create an immediate or planned increase in demand. For all services installed whose separation will create an increase in demand, the difference between the current SDC for the currently installed meter and the SDC for the new meter shall be assessed. This paragraph applies to all customer classes.
7. ⁵⁷For services installed prior to July 1, 1981, where multiple services have served a single building, installing additional services and meters to further separate use shall not require the payment of SDCs as long as the separation does not create an immediate or planned increase in demand. For all services installed whose separation will create an immediate or planned increase in demand, the difference between the current SDC for the currently installed meter and the SDC for the new meter shall be assessed. This paragraph applies to all customer classes.
8. ⁵⁵For services installed after July 1, 1981, where ⁵⁷more than one building ⁵⁷or use has been served through a single meter, installing additional services and meters to separate service to each building ⁵⁷or use shall require the payment of SDCs. This paragraph shall apply to all customer classes except residential customers (see Section 111.1.5 above).

9. ⁵⁷For services installed after July 1, 1981, where multiple services have served a single building and further separation of use is desired, installing additional services and meters to further separate use shall require the payment of SDCs. This paragraph shall apply to all customer classes except residential (see Section III. I 5 above).
10. ⁵⁵If the Board becomes aware through its investigation or through notification by the customer of a sustained increase in demand which exceeds the current capacity of the installed meter, a new meter shall be sized and installed. The difference in the current SOC of the currently installed meter and the SOC for the new meter shall be assessed. SOC credit will be given in the case where meters are downsized at the request of the customer or action of the Board; however, there will be no refund or credit carried forward as a result of the downsizing. This paragraph applies to all customer classes.

J. Automated Meter Reading Opt-Out Program

1. The Water Board has implemented an Automated Meter Reading (AMR) program to be able to obtain monthly water meter readings remotely. While scientific research supports the safety and accuracy of the AMR system, the Board understands that a very limited number of customers may have concerns regarding communication methods that are utilized by the automated equipment in order to transfer information from the water meter to its destination device.
2. The Water Board offers customers the choice to opt-out of the AMR program for their service address. Customers may choose to opt-out of the AMR program by applying for and paying the cost associated with the installation and ongoing monthly manual meter reading and billing fees of a non-AMR meter. These charges are in accordance with the current schedule of charges as listed in Section VII; C. Miscellaneous Charges of the Water Board's Operating Policies.
3. Customers who choose to opt out of the AMR program with meters in size of 1-inch and below are subject to AMR opt out fees A & B. Customers with meters in size ranging from 1.5-inch and 2-inch are subject to AMR opt out fees A & C. Customers with meters larger than 3-inch are subject to AMR opt out fees A & D. Customers who choose to opt out prior to the initial AMR installation at their location, may be eligible for waiver of any one-time non-recurring fees if in the discretion of the General Manager substantial work has not been completed to the meter location.
4. If a customer with an opt-out agreement in place terminates water service with the Water Board at the said location, the Water Board reserves the right to change the non-AMR meter to a working AMR meter.
5. Assuming the meter has not already been changed to an AMR meter. New customers who move into premises that currently have a non-AMR meter, have the choice to keep the non-AMR meter by paying the on-going monthly charges.
6. Monthly AMR opt-out charges are in addition to all other charges accrued monthly from the Water Board.

SECTION VII – SCHEDULE OF RATES, FEES, CHARGES, AND SURCHARGES

A. **Water Use Rates**^{5, 16, 19, 30, 35, 39, 40, 42, 43, 45, 49, 50, 51, 52, 54, 56, 58, 61,64, 66, 67, 69,72, 74,75, 76, 79,80, 82, 89, 91, 93, 94, 97}

(See Rules and Regulations Section II - RATES for further information.)

1. Water Rates - The following rates shall apply to the classes of use indicated for billings rendered on or after July 1, 2023. If two or more classes of water use exist in any single customer's line, the customer classification for billing purposes shall be that which contains the highest water rate.

Minimum charge for monthly consumption metering
from zero to 300 cubic feet

Meter Size	Inside City Limits	Outside City Limits
Meter		
Surcharge	\$0.00	\$5.00
5/8-inch	27.53	38.46
3/4-inch	29.22	40.91
1-inch	36.10	50.52
1 1/2-inch	53.26	74.60
2-inch	79.03	110.66
3-inch	139.18	194.92
4-inch	225.16	315.20
6-inch	440.00	616.01
8-inch	697.81	976.95
10-inch	998.62	1,398.07

Rate per 100 cubic feet for monthly consumption over 300 cubic feet

Classification	Inside City Limits	Outside City Limits
Residential	\$4.052	\$5.394
Multiple-residential	3.179	4.632
Commercial	3.225	4.702
Industrial	2.797	3.746
Public/Other	2.930	4.264
Untreated		0.480

2. Fire Hydrant Rates^{50, 51, 52, 76, 79, 80, 82, 89, 91, 93, 94, 97}

- a. Hydrants inside the Cities of Coos Bay and North Bend which are owned by the Cities of Coos Bay and North Bend - NO CHARGE
- b. Hydrants owned and maintained by private parties or by other public bodies within the Cities of Coos Bay and North Bend, per month in advance - \$14.34
- c. Hydrants owned and maintained by organized fire districts, private parties, or by other public bodies outside the corporate limits of Coos Bay and North Bend, per month in advance - \$19.91

3. Fire Services Only^{50, 51, 67, 69,72, 74, 75, 76, 79, 80, 82, 89, 91, 93, 94, 97} - To be charged monthly at the rate of \$6.95 per inch of diameter of service pipe in addition to any meter rate, except as noted in Section II.A.7.c.

Fire Service Line Size	Monthly Fee
2" or less	\$13.90
3"	20.85
4"	27.80
6"	41.70
8"	55.60
10"	69.50

Outside corporate limits of Coos Bay or North Bend, add 40% to above rates.

4. Temporary Services - For construction of buildings, public works, highways, etc., charge shall be made for the water actually used according to the area in which the service is made at one and one-half (1½) times standard rate for both the minimum and consumption charges.

5. Hauser Area Monthly Surcharge^{20, 70}

Residential Customers - \$5
 Multiple-Residential Customers - \$5 per dwelling unit
 Commercial Customers - \$10
 Industrial Customers - \$100
 Public Agencies and Other Customers - \$10

6. Outside City Limits Monthly Surcharge^{32, 35, 39, 40, 42, 54} - \$5.00

7. Other Water Use Rates

- a. Meter-on-Hydrant Fee/Charge (set/removal) - minimum \$35.00. In addition to the minimum, water used shall be charged according to the area of use at one and one-half (1½) times the standard rate for both the minimum and consumption charges.
- b. Bulk Water Sales Fee/Charge - minimum \$30.00. In addition, water sold shall be charged according to the type of use at one and one-half (1½) times the standard rate.

B. Service Installation Charges^{3, 16, 30, 35, 39, 43, 56, 59} (See Rules and Regulations Section III - SERVICE POLICIES, subsection G for further information.)

1. New Services

Pipe Size X Meter Size	Inside and Outside Corporate Limits of Coos Bay and North Bend Charge
1" X 5/8"	\$865
1" X 3/4"	895
1" X 1"	920
Larger than 1"	Actual cost of service installation

2. Temporary services - up to and including size two-inch (2"), such as are used for construction or other purposes, shall be charged at the actual cost of installation, maintenance, and removal.

3. Highway Permit Administration Fee

County Highway Permit	\$40
Oregon State Highway Permit	\$40

4. System Development Charges^{6, 31, 35, 39, 40, 41, 42, 60, 62, 64, 66, 67, 69, 72, 74, 75, 79, 80, 82, 91, 93, 94, 97} (See Rules and Regulations Section III - SERVICE POLICIES, subsection I for further information.)

SYSTEM DEVELOPMENT CHARGES Inside and Outside City Limits		
METER SIZE	(ME) Meter Equivalent	SDC
5/8"	1.0	\$ 4,797
3/4"	1.5	\$ 7,196
1"	2.5	\$ 11,993
1.5"	5.0	\$ 23,985
2"	8.0	\$ 38,376
3"	16.0	\$ 76,752

4"	25.0	\$119,925
6"	50.0	\$239,850
8"	80.0	\$383,760
10"	115.0	\$551,655

5. New Service Installation Surcharges - Hauser Area^{21, 71} – This charge shall apply to each new service installation for the following customer classifications: Residential, Multiple-Residential, Commercial, Industrial, Public Agencies and Other Customers: \$500.00 per each new service.

C. Miscellaneous Fees/Charges^{82, 95}

NSF Check Fee - \$10.00 (See Rules and Regulations, Section III.D.15 for further information.)

Turn On Fee - \$20.00 (See Rules and Regulations, Section III.D.18 for further information.)

48-Hour Notice Fee - \$8.00 (See Rules and Regulations, Section III.D.4 for further information.)

Delinquency Charge or Shut Off Fee - \$31.00 (See Rules and Regulations, Section III.D.5 for further information.)

Lock Charge - \$13.00 (See Rules and Regulations, Section III.D.5 for further information.)

Meter Tampering Reconnection Charge - \$18.00 (See Rules and Regulations, Section VI.D.2 for further information.)

Meter Test Charge - \$22.00 (See Rules and Regulations, Section VI.C.2 for further information.)

Mandatory Conservation And Curtailment (second violation surcharge) - \$50.00 (See Rules and Regulations, Section G.4.b ii for further information.)

Cross Connection Reinstatement - \$50.00 (See Rules and Regulations, Section V.M.1 for further information.)

Deposits - Residential customers may not be required to make deposits to establish credit. For other classes of customers, the deposit is to be a sum equivalent to twice the estimated amount of one month's water bill, and in no case shall the deposit be less than a sum equivalent to two monthly minimum charges. (See Rules and Regulations, Section III.B for further information.)

AMR Opt-Out Fee (See Rules and Regulations, Section III. J. for further information)

<u>AMR Opt-Out Fee Schedule</u>	<u>Fee</u>	<u>Frequency</u>
A. Manually read the non-AMR meter (per meter)	\$20.00	Monthly
B. 1-inch or less meter change out fee	\$122.00	One Time
C. 1.5-inch & 2-inch meter change out fee	\$479.00	One Time
D. 3-inch & larger change out fee	Quote only	One Time

The Board's next regular meeting was set for Thursday, January 18, 2024, at 7:00 a.m.

Updates were given as follows:

- Merritt Dam Seismic Research – To address Traci Olson's questions on grant funding, The Water Board has two dams on our system. The Upper Pony Creek Dam is the large dam with a large reservoir behind it which was constructed in 2001 - 2 seismic standards. We have had a recent study of that dam and it has been determined to be seismically stable, and according to the engineer's analysis it will survive a large earthquake. Therefore, we do not need any funding for that primary large infrastructure. Merritt Dam, the lower dam, is a much smaller dam constructed in 1988. We are currently undergoing an analysis of that dam. That analysis is being funded by the State of Oregon. We will be doing the seismic investigation in January. We will be drilling bore holes and taking samples.

Drill pads need to be constructed on the upstream face of Merritt Dam. Staff anticipates the cost to be approximately less than \$10,000 and we are waiting to see if the State of Oregon will be paying for this. This is just a small portion of the seismic analysis. If it is determined to be seismically deficient at that time staff would pursue any available grant funding to help with upgrade of the dam. This is through the State dam office. When we received our initial quote from Cornforth Consultants who did the study and drilling it was over \$100,000. The State Dam office was willing to pay for that analysis.

- Service Center Design Improvements – In the budget this year we have some funds available in our CIP to update the break room which needs minor updates. With the addition of staff we need a meter services office. A storage room downstairs has been identified for this. Staff are in the process of obtaining quotes.

At 7:30 a.m. Vice Chair Matthews directed they go into executive session for the purpose of discussing potential litigation pursuant to ORS 192.660(2)(h). The Board returned to open session at 7:57 a.m.

There being no other business to come before the Board, Vice-Chair Matthews adjourned the meeting at 7:58 a.m.

Approved: _____, 2024

By: _____
Carmen Matthews, Vice-Chair

ATTEST: _____