

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

Minutes
Regular Board Meeting

February 7, 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; Bryan Tichota, Customer Relations Supervisor; Jeff Page, Operations Manager; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was absent. Media present: None. Chair Cribbins opened the meeting at 7:00 a.m. and lead the Board and assembly in the Pledge of Allegiance.

Chair Cribbins asked if there were any corrections or additions to the January 17, 2019, Regular Board meeting minutes. Dr. Sharps moved the minutes be approved as written. The motion was seconded by Mr. Dillard and passed unanimously.

Regarding the proposed Madrona Street 8-inch main replacement of 1,650 feet of 6-inch diameter unlined cast iron pipe, Engineering Manager Matt Whitty stated a repair of a leak in 2011 revealed external corrosion of the main. A flow test that was performed in 2016 for the construction of a new home revealed the main provides substandard fire flow indicating occlusion of the hydraulic surface inside the main. The main supplies water for four fire hydrants and 52 homes.

The current fiscal year's budget includes \$362,500 for this project. The budget was based on preparation of an in-house design with installation of the water main by the utility's crew. After a thorough review of in-house resources available for this and other projects, staff recommends the preparation of an in-house design and contract documents for a contractor installation of the Madrona Street main replacement. The budgeted amount includes 25 percent of the estimated cost of in-house installation. Once bids are received, staff will present them to the Board for final consideration.

After a brief discussion, Dr. Sharps moved to authorize the General Manager to solicit bids using in-house design plans and contract documents for the replacement of 1,650 feet of main on Madrona Street. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding the McCullough Bridge 16-inch Steel Pipe Painting, Mr. Whitty stated in early 2018, ODOT notified the Water Board of their project for repair and painting the McCullough Bridge superstructure. The utility has a 16-inch diameter steel water main attached to this section of the bridge. ODOT offered to include repair and painting of the water main with their project and staff worked with them on developing a scope of work. ODOT prepared an estimate of cost for the work in the amount of \$219,967.07.

The anticipated cost for the pipe painting was included in the FY2019 budget with estimated staff costs for a total of \$232,300.

The Board of Directors previously authorized entering into an agreement with ODOT for recoating the 16-inch steel pipe under the bridge, and as required by that agreement deposited \$219,967.07 to cover the estimated cost with the understanding the bid amount would vary from the engineer's estimate.

ODOT solicited bids for the work and has awarded a contract for the painting of the steel portion of the McCullough Bridge to Vimas Painting Company, Inc. Bid results for the water main work came in at \$461,880 and the total ODOT projects costs are \$31,382,069.

Mr. Thomas commented that The Dyer Partnership looked into different scenarios and advised with current boring costs it would cost the utility approximately six to seven million dollars to replace this line with a line under the bay.

Mr. Whitty stated ODOT received six bids and while it is significantly higher than the engineer's estimate, it is in an acceptable range. Mr. Whitty feels it is a good deal for the utility.

Staff recommends utilizing funds from the active capital fund for the additional required deposit of \$241,912.93 to ODOT. Staff plans to restore the active capital funds by reducing the capital budget for FY2020 and FY2021 dividing the cost equally between the two fiscal years. This will result in an active capital fund balance of \$465,516 at the end of FY2019.

Motion was made by Dr. Sharps to authorize the General Manager to deposit an additional \$241,912.93 with ODOT to guarantee payment of the recoating of the 16-inch diameter steel pipe under the McCullough Bridge superstructure. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding Accessory Dwelling Unit (ADU) water service options, Operations Manager Jeff Page stated he had contacted several public water suppliers around the state and received comments from the cities of Corvallis, Forest Grove, Keizer, Hillsboro, Springfield and Eugene Water and Electric Board. With the exception of Springfield, ADU's can be served through either the existing water service connection or through an additional connection if the customer chooses. Upgrading the service or meter is required when the cumulative total of fixture units between the primary residence and the ADU warrant. System Development Charges (SDC) are based upon the difference in fees between the existing meter size and the upgraded meter size.

Staff has considered both advantages and disadvantages of using the existing water service connection versus a dedicated service connection to serve an ADU, together with what other water suppliers are doing in Oregon, and recommends the Water Board allow the use of the existing service connection and charge the difference in System Development charges between the existing and the upgraded meter.

The Water Board's current Rules and Regulations allow for the collection of additional SDC's for an increase in meter size, however prohibit serving more than one dwelling through one meter. The Rules and Regulations would need to be amended to address these issues and a resolution adopted by the Board.

Mr. Page commented it would be of assistance to work with the local planning departments to determine an effective method of communication to convey that an application for the development of an ADU has been made. This allows the utility's staff to be involved from the start of the process.

Mr. Thomas stated Board Attorney Jim Coffey has previously reviewed staffs' recommendations and agrees this is a good compromise.

It was the Board's consensus for staff to amend the current Rules and Regulations and bring them back to the Board at a later date for consideration of adoption.

The Board's next regular meeting was set for Wednesday, February 20, 2019 at 6:30 a.m.

Updates were given as follows:

- High Service Pump Drive Replacement – Waiting on electrician - Reese Electric is working with the manufacturer.
- Terramar Reservoir – SUEZ cleaned the tank. The tank is full but not back in service as staff is letting it sit for a week to ensure there is no sign of odor.
- Millington Reservoir – SUEZ cleaned the tank, however there was transference from the coating so they are thinking about blasting and recoating the tank. SUEZ is waiting on paint sampling results.
- Timber cruise & harvest plan – Staff is planning on getting a cost from Stuntzner Engineering to evaluate all the units and will update the Board at that time.

Mr. Thomas stated he would like the Board's input if an individual has a private sewer lateral which is leaking and they won't repair it, should the water be turned off as this creates a public health hazard? Some cities' codes state utilities will be discontinued until the problem is fixed. The Water Board's Rules and Regulations do not address this issue. Mr. Solarz stated he felt it would be in the Board's best interest if a resolution was in place by the cities of Coos Bay and North Bend. Dr. Sharps agreed with Mr. Solarz. Mr. Thomas stated he would discuss this with Mr. Coffey and get more information to bring back to the Board.

At 7:32 a.m. Chair Cribbins directed they go into executive session for the purpose of discussing personnel issues pursuant to ORS 192.660(2)(a). They returned to open session at 7:45 a.m.

There being no other business to come before the Board, Chair Cribbins adjourned the meeting at 7:45 a.m.

Approved: _____, 2019

By: _____
Chair Melissa Cribbins

ATTEST: _____