

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

Minutes
Regular Board Meeting

January 20, 2022
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 Dr. Charles Sharps presiding. Other Board members present: Melissa Cribbins, Bob Dillard and Greg Solarz. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; John McKevitt, Operations Manager; Bob Backman, Interim Treatment Plant Supervisor; Jeff Howes, Finance Director; Bryan Tichota, Customer Relations Supervisor; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Keith Mills, the Oregon State Dam Safety Engineer was present via telephone. Media present: None. Chair Sharps opened the meeting at 7:00 a.m. and lead the Board and assembly in the Pledge of Allegiance.

Chair Sharps asked if there were any corrections or additions to the December 9, 2022, Regular Board meeting minutes. Ms. Cribbins moved the minutes be approved as written. The motion was seconded by Mr. Dillard and passed unanimously.

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

Regarding the proposed Merritt Dam geotechnical and seismic evaluation, Engineering Manager Mr. Whitty stated the Board previously authorized to enter into a contract with Cornforth Associates for the seismic evaluation of Merritt Dam at a not to exceed cost of \$130,000. In 2017, after completing the geotechnical investigation and analysis of material samples from the investigation, Cornforth determined the material underlying the dam contained silts that are subject to liquefaction in the event of a large earthquake. Cornforth recommended additional investigation and analysis to determine the survivability of Merritt Dam in the event of a large earthquake. Cornforth requested an additional \$300,000 to complete the seismic evaluation. Due to the high cost and staff's recommendation, the Board chose to postpone the completion of the analysis until funding could be secured. Keith Mills notified staff State funding was available for completion of the Merritt Dam seismic analysis. The State is prepared to fund the total cost of completing the analysis of Merritt Dam and the State would also like to manage the project due to the complex requirements for utilizing federal funding for the project.

Mr. Whitty stated Keith Mills was present via phone to discuss the State's proposal and answer any questions. Mr. Mills stated he is the Senior Dam Safety Engineer with Oregon Water Resources Department, the agency in charge of safety of dams in Oregon. The initial Phase 1 study was accomplished and there was a finding that there is a layer of sand under the dam that may be a subject of concern. The first investigation wasn't sufficient to determine exactly how severe the condition is so additional investigation is needed to do

some analysis of what type of deformation there would be in the case of an earthquake. There is a new State statute that allows the State to work cooperatively with dam owners. The Oregon legislature has given Water Resources specific funding for analysis of dams, as well as from FEMA. Water Resources would like to expedite this and get the seismic investigation started soon. Mr. Whitty would be on the review panel for this evaluation which will include a summary of what is underneath the dam, what is to be expected in the case of an earthquake and what alternatives, if any, are needed to make the dam so it is stable should an earthquake occur. This would happen over the course of a couple years, but as long as this is in process the Dam Safety Program will consider it reasonable progress on the dam and continue to work cooperatively to see what the actual risk is.

Dr. Sharps asked if the dam is found to have major problems will the State require the dam to be replaced. Mr. Mills stated the Board would be told what the options are to rehabilitate it, it may be replacing the dam, but more likely to rehabilitate the dam. In an earthquake there will be some deformation of structures. If the dam does not deform down to the water level it is not going to be necessarily unsafe so they need to see what kind of deformation there is so it can be stabilized. Dr. Sharps stated he was wondering what long-range costs would be and asked when the project would begin. Mr. Mills stated the project would commence in approximately one to two months and would take about two years to accomplish the study. Once the study is complete, the engineer would meet with Water Resources and the Water Board to talk about their findings and what the alternatives are. Normally the owner would need to do the analysis, but since there is funding available Water Resources is able to perform this.

Mr. Coffey asked what is meant by the State will manage the project and what input will Water Board staff have in this. Mr. Mills stated they would work closely with Matt Whitty and the Board. A draft proposal has been provided to Mr. Whitty, and he would be involved in any negotiations held as to what to do for the analysis. Once the Request for Proposals has been sent, and an engineer has been selected, then negotiations would take place to pin down what the actual project will consist of and the cost. Mr. Mills commented he wants the Water Board to have a safe and functional reservoir. As for any public body in Oregon, since the funds are directed to Water Resources, they need to send out the Request for Proposals but will coordinate very closely to make sure the Water Board's needs are met and to get a project that gets the information needed on Merritt Dam. Mr. Coffey asked what the time frame is for issuance of the Request for Proposals. Mr. Mills said the Request for Proposals would be sent out soon. Mr. Solarz inquired how many people are on the panel. Mr. Mills stated there are three, himself, one other Water Resources engineer and Mr. Whitty. Ms. Cribbins inquired once results are established, if there are any State funds available to help the Water Board with any costs that are discovered. Mr. Mills is looking into this as they do not currently have a fund for this. The Board thanked Mr. Mills for presenting his information.

After a brief discussion, Ms. Cribbins moved to authorize the General Manager to enter into an agreement with the State for the funding and management of the Merritt Dam seismic evaluation. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding the proposed Brussels-Lombard Main Replacement Project, Engineering Manager Matt Whitty stated staff received a request for water service for a new house on Brussels Avenue between Lombard and Lewis. This block is served by a 1-inch diameter galvanized iron water main. Staff investigated the condition of the main by performing a flow test on one of the services and the main was found to be compromised, producing only 6 GPM at the water service connected to the dead-end of the main. There is inadequate flow in the main to provide full service to existing customers, and staff cannot extend service to the new house.

Staff proposes the replacement of the 1-inch galvanized iron main with 290 feet of 2-inch PVC connecting to 6-inch diameter mains at Lombard and Lewis Streets. This will restore service to existing customers and provide service to the new house.

All of the galvanized iron water mains are identified for replacement. This main has never experienced a leak, so it was not prioritized for immediate replacement. The discovery of the poor hydraulic condition of the main coupled with the need to extend service to a new customer makes it a priority for immediate replacement.

This project is not included in the budget. Staff proposes funding the replacement using the active capital fund which has adequate funding to cover the cost. The estimated cost of replacement of the main is \$21,500 using in-house labor.

After a brief discussion, Mr. Solarz moved to authorize the replacement of the water main on Brussels between Lombard and Lewis with 2-inch diameter PVC at an estimated cost of \$21,500. The motion was seconded by Mr. Dillard and passed unanimously.

Engineering Manager Matt Whitty presented staff's request regarding bundling five projects and requesting sealed bids for the projects. Some of these projects are small and in-house crew installation would be considered, however there is a small backlog of projects that will keep the crew very busy through the year. The Board previously authorized staff to design four water main replacement projects included in the FY 22 budget. Staff have completed the initial design for the four projects and another project from the FY 21 budget. Maps of the five projects were provided to the Board.

After completing initial design work staff have revised cost estimates for the projects as follows:

<u>Description</u>	<u>Budget</u>	<u>Estimated Cost (Revised)</u>
Empire Lane 2-inch	\$53,000	\$45,500
North 12 th Street 2-inch	\$120,600	\$105,000
North Empire Boulevard 16-inch	\$121,400	\$115,000
Sheridan Avenue 6-inch	\$226,900	\$202,000
Ferguson Avenue 6-inch	<u>\$38,400</u>	<u>\$60,000</u>
Total Cost	\$560,300	\$527,500

Due to the fact the majority of these projects are small they cannot be bid individually. Staff proposes preparation of final bid documents bundling the five projects and requesting sealed bids for the projects. After a brief discussion, motion was made by Mr. Dillard to authorize staff to request sealed bids for a bundle of five water main replacement projects including Empire Lane, North 12th Street, North Empire Boulevard, Sheridan Avenue and Ferguson Avenue. The motion was seconded by Ms. Cribbins and passed unanimously.

Regarding award of the IMS Media Retainer Caps – Filter Underdrain Replacement Project, Operations Manager John McKeivitt stated staff has solicited for replacing the IMS (Integrated Media Support) media retainer caps, 360 in total, for the five existing filters.

Bids for this specialized work were solicited from six local and one out-of-state contractor, all with specific potable water filter construction experience. Five of the contractors declined to participate and two of them, Pacific Excavating from Eugene and Boede Construction from Stayton, submitted bids.

The project involves removing each filter's media, replacing 72 IMS caps, replacing 24 air scour supply hoses and reinstalling the media. The work is necessitated by the buildup over time of manganese naturally occurring in the source water on the IMS caps. This buildup of manganese plugs the pores of the caps causing excess pressure to build up during the filter backwash cleaning cycle. This buildup, left unchecked, will build pressure to the point where the filter underdrain will erupt during a backwash, rendering the filter inoperable until it can be rebuilt. This would necessitate rebuilding the filter under emergency conditions. All five filters are plugged to the extent where this work must be undertaken immediately. The normal pressure experienced on a clean IMS cap during backwash is two pounds per square inch (psi). Currently, the pressure on the IMS caps is ranging from 12 psi to 16 psi.

Bids received are as follows:

Boede Construction - \$84,295.00

Pacific Excavating - \$87,700.00.

Mr. McKeivitt stated both contractors are equally qualified to execute the work. Based upon careful review and conversations with the contractors, staff is recommending the bid be awarded to Boede Construction in the amount of \$84,295.00. After a brief discussion, Ms. Cribbins moved to award the bid to Boede Construction in the amount of \$84,295 and authorize the General Manager to enter into a contract with Boede Construction for the work as described. The motion was seconded by Mr. Dillard and passed unanimously.

Mr. Thomas stated Charter Communications/Spectrum has leased Water Board owned property for the past twenty years for utilities located on Water Board Hill and will not be renewing their lease agreement which ends in February 2022.

Silke Communications Solutions has now shown interest in leasing the same property from the Water Board. Silke would use the property to bolster their radio communications network for the foreseeable future. Silke Communications has been serving wireless communications needs for over 50 years, currently serving communications needs in Washington, Oregon, California and Nevada. Staff has negotiated an \$800 monthly rent for the site with a 3% annual escalator and Silke will give the Board 50 percent of the profit they make annually. Silke can renew the lease every 4 years, for a total of 40 years.

Board members were provided with a proposed draft of the lease agreement with Silke. The agreement has been reviewed by Silke representatives, Water Board staff and legal counsel. Dr. Sharps asked if the Water Board owns the equipment. Mr. Thomas stated Charter/Spectrum owns the equipment and Silke is buying it from them.

After a brief discussion, Mr. Dillard moved to authorize the General Manager to enter into a lease agreement with Silke Communications Solutions in the monthly amount of \$800 and 50 percent of their annual profit. The motion was seconded by Ms. Cribbins and passed unanimously.

Mr. Thomas introduced Bob Backman, interim Water Treatment Supervisor. Mr. Backman reviewed the bids received for water treatment chemical purchases to be made during calendar year 2022. Seven suppliers submitted quotes for five chemicals. All products meet the specifications outlined in the Request for Quotes. Based on estimated quantities, water treatment chemical expenses for the upcoming year are anticipated to increase by approximately \$84,942. This is due to many factors including freight problems, supply chain interruptions, increase in employment costs, and electricity costs. The consumer price index has noted inflation and is up 6.8 percent since November 2021; energy prices have increased by 33.3 percent in the last year; gasoline prices are up 58.1 percent.

Mr. Thomas stated the annual increase in chemicals (\$84,942) is equivalent to approximately a one percent increase in the next fiscal year's budget. Staff will have more defined costs later as this is based on projected costs. Dr. Sharps asked if any suppliers indicated their projected costs may decrease. Mr. Backman stated Sodium hypochlorite increased 60% and no decreased cost is projected; aluminum was up 40 percent and is now back down to 33.3 percent, but due to interruptions in the supply chain the supplier does not project a decrease. Mr. Thomas stated he did speak with a representative from Cascade Columbia, the fluoride supplier, and if the price went down they would pass the savings on to the Water Board.

After a brief discussion, motion was made by Ms. Cribbins to accept all quotes and award the chemical quotes to the supplier with the low quote for each chemical type. The motion was seconded by Dr. Sharps and passed unanimously. The suppliers with low quotes were as follows:

- Liquid Poly aluminum chloride to Chemtrade \$884.00.00/ton
- Anhydrous ammonia to Airgas Specialty Products, Inc. for \$2,400.00/ton
- Sodium hypochlorite (12.5%) to HASA, Inc. for \$2.075/gallon
- Sodium Fluoride to Cascade Columbia district Co. for \$3,440.00/ton
- 25% Sodium Hydroxide to Univar USA, Inc. for \$210.26/ton

The Board's next regular meeting was set for Thursday, February 3, 2022, at 7:00 a.m.

Updates were given as follows:

- Springbrook – The upgrade is scheduled to take place next Thursday and Friday
- Turbidimeters Installation – The new turbidimeters have been installed and are mounted on a backing board. The new turbidimeters are laser supported and awaiting final pieces and transfer before being put into service.

At 7:50 a.m. Chair Sharps directed they go into executive session for the purposes of discussing potential litigation pursuant to ORS 192.660(2)(h) and discussing labor negotiations pursuant to ORS 192.660(2)(d). They returned to open session at 8:50 a.m. There being no other business to come before the Board, Chair Sharps adjourned the meeting at 8:52 a.m.

Approved: _____, 2022

By: _____
Chair Charles Sharps, Ph. D.

ATTEST: _____