

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

Minutes
Regular Board Meeting

January 21, 2021
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 Greg Solarz presiding. Other Board members present: Dr. Charles Sharps and Melissa Cribbins. Board members absent: Bob Dillard. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Present via teleconference was Bryan Tichota, Customer Relations Supervisor. Media present: None. Chair Solarz opened the meeting at 7:00 a.m. and lead the Board and assembly in the Pledge of Allegiance.

Chair Solarz asked if there were any corrections or additions to the January 7, 2021, Regular Board meeting minutes. Ms. Cribbins moved the minutes be approved as written. The motion was seconded by Dr. Sharps and passed unanimously.

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

Engineering Manager Matt Whitty presented staff's request to upgrade the automatic pumping control and monitoring of the Shorewood Pump Station and Reservoir. Staff proposes using a Mission Communications cellular RTU (remote telemetry unit) to permanently replace the aging and obsolete S&B RTU at the Shorewood Pump Station. This would eliminate reliance on Zippy Fiber's aging copper circuit infrastructure that has provided phone service there for decades.

Staff proposes to install Mission Communications RTUs to provide automatic control and remote monitoring for these sites. Mission Communications has proven itself to be a reliable and cost-effective solution for the distribution sections control needs. The Shorewood Pump Station and Reservoir are located on Marine Drive south of Hauser.

Staff proposes using Correct Equipment as the sole source for the Mission Communications RTU as they are the regional distributor.

This upgrade includes a \$4,194 purchase from Correct Equipment for the Mission Mydro852 RTU, tank and well control package, and annual service fee. The electrician's installation costs for this project will be \$750. Estimated costs for Water Board staff labor and mileage are \$1,750.

Total estimated cost of this project is \$6,500 with contingencies. This telemetry project is included in the current fiscal year's budget in the amount of \$11,800.

Ms. Cribbins asked how many of the S & B RTU units are in the system. Mr. Whitty stated he wasn't sure, however there are 32 pump stations and he estimates there are probably twenty of these units. Ms. Cribbins asked if there is communication to these units. Mr. Whitty stated there is communication to the units however they are becoming less reliable. Ms. Cribbins inquired at what point would staff look at replacing all of the remaining units. Mr. Whitty stated staff will be addressing this in the Master Planning process. After a brief discussion, Dr. Sharps moved to authorize the purchase of the items discussed to upgrade the Shorewood Pump Station and Reservoir in the total approximate amount of \$6,500. The motion was seconded by Ms. Cribbins and passed unanimously.

Regarding the proposed revisions of Water Board Rules and Regulations Section VIII – Water Main Extensions and Adoption of proposed Resolution No. 387, Engineering Manager Matt Whitty stated Section VIII of the Water Board Rules and Regulations provides policy guidance for the extension of water mains to developments within our service area. Subsections A and B of Section VIII were last updated prior to 1987. Since that time the utility's practices have changed significantly and no longer match the policy. As a result the Water Board currently does not have a policy to support current practices.

To bring the utility's policy in line with our current practice staff has drafted proposed revisions to Section VIII. Staff has researched other water main extension policies and has incorporated some aspects of those policies into the proposed revisions. Board Attorney Jim Coffey and the General Manager have reviewed the revisions.

Resolution Number 387 has been prepared if the Board of Directors choose to approve the revisions to Section VIII of the Water Board's Rules and Regulations.

The following draft was provided to the Board of Directors for their consideration:

Note: Text in black and all struck-through text (whether black/blue or red) is from the original policy. All struck through text is considered deleted. Text in red/blue that is NOT struck through is new.

SECTION VIII – WATER MAIN EXTENSIONS

The Coos Bay-North Bend Water Board has full authority to develop rules for the extensions of water mains within the City and may enter into an agreement with applicants for water main extensions under such conditions as the Water Board may determine as just and equitable.

²³Simple main extensions which are totally funded by the customer or customers requesting the extension and which do not involve extraordinary or unusual circumstances and which also do not involve changes in normal and established policies do not require formal approval by the Board. Such extensions may be approved by the General Manager. All Board-funded extensions and those customer-funded extensions which do not meet the above criteria will be referred to the Board for approval.

A. Extension Policy for Development ~~Housing~~ Projects

~~A Development- Housing~~ Project is defined as one or more building sites being developed by or under the direction or control of a single Project Owner for the purpose of building residences, **industrial buildings** or commercial buildings to sell or use. ~~Special consideration is given to this type of~~

~~development because the success of many of these projects is controversial and concerns the development of heretofore undeveloped areas.~~ A Project Owner may be an individual, group of individuals, corporation, LLC or other business. In these situations, the Water Board is interested in the orderly growth and development of the City but may not promote any special section or interest. Water system extensions to ~~housing a~~ Development Project (hereinafter "Project") shall be ~~is done in the following manner~~ pursuant to- the following rules and regulations:

1. Application: The Project Owner shall submit to the General Manager a written request for a Letter of Commitment. The written request shall be signed by the Project Owner and identify the Project Owner and Project Developer (if not the same as the Project Owner) by name and address. The request shall include a detailed description of the size of the proposed Development Project adequate to determine the anticipated demand. If the General Manager determines the Development Project will impose a demand in excess of the capacity of an existing water main the General Manager may require the Project Owner to replace the existing water main with a new water main as specified by the Water Board. Any such water main replacement shall constitute a ~~n~~ water main extension which shall be paid for by the Project Owner.
2. Additional Improvements: The General Manager may require the Project Owner to install additional or larger water mains for the Development Project which may not be required or necessary solely for the Development Project (the "additional improvements"). The determination of whether the Project Owner shall install additional or larger water mains shall be solely with the discretion of the Water Board. In cases where additional improvements are required, the Water Board shall enter into a written agreement with the Project Owner to reimburse the Project Owner for such portion of the costs (labor and material) which are determined by the Water Board to- be attributable to the additional improvements.
 - a. If sufficient funds for the additional improvements are not available to the Water Board, the Water Board may deny the application for an extension unless the cost of the additional improvements are paid by the Project Owner as part of the written Agreement for the extension (hereinafter "Agreement"), which shall provide that the Project Owner shall agree to pay the cost of additional improvements, without reimbursement from the Water Board, in order to proceed with the Development Project.
 - b. In cases where the Water Board agrees as part of the Agreement referenced above to reimburse the Project Owner for all or a portion of the costs of the additional improvements the Project Owner shall comply with Oregon law as it applies to public construction contracts, including, but not limited to, paying prevailing wage rates.
3. Engineer: After the project scope has been determined and the General Manager has issued a Letter of Commitment the Project Owner shall, at their expense, submit complete plans and specifications for the extension. The plans and specifications shall be prepared by a Professional Engineer licensed to practice in the State of Oregon. The plans shall include plan and profile views showing the location of all parallel and crossing utilities. The plans shall be drawn to scale and shall be in conformance with Water Board Standard Specifications and the requirements of OAR 333.
4. Easements: If the extension is outside of a dedicated public right-of-way the Project Owner shall provide an easement description for the portion of the extension that crosses private property. The Water Board will insert the easement description into a standard easement format and provide the document to the Project Owner. As a condition of proceeding with the Development Project, the Project Owner shall obtain signatures from all the private property owners dedicating the easement to the Water Board, which easement shall then be recorded per the requirements of Coos County.
5. Review: The General Manager or designee shall review the application, plans and specifications for satisfactory conformance with Water Board and State of Oregon standards and either approve the application, approve the application with conditions or deny the application. The applicant will be charged a fee of \$200 for review of the plans and specifications by Water Board staff. This fee

will be added to the inspection cost in Item 6 below and shall be paid prior to commencing construction of the new main.

6. Construction: The Project Owner shall be responsible for paying the entire cost of constructing the extension including the cost of a full-time Water Board inspector. The Project Owner shall prepay the estimated cost of full time inspection by the Water Board inspector. The estimated inspection cost will be provided by the Water Board and will be based upon the estimated time of construction provided by the Project Owner. When construction is complete Water Board staff will total the cost of inspection and either refund any surplus or invoice the applicant for costs exceeding the estimated cost. These provisions shall be a part of the Agreement entered into between the Project Owner and the Water Board.
 - a. The Project Owner shall cause the extension to be constructed in accordance with the approved plans and specifications. The construction shall be performed by a qualified Public Works Bonded Contractor licensed by the Oregon Construction Contractor's Board. Minimum qualifications for the contractor are as follows:
 - i. Contractor shall submit written evidence of company experience with water main installation including a minimum of 5000 feet of 8-inch diameter or larger potable water main with at least one project over 1000 feet in length. Submitted evidence shall include a listing of jobs worked with dates of installation and owner/client contact information.
 - ii. Contractor shall identify in writing a Responsible Managing Employee who must have experience with water main installation including a minimum of 2000 feet of 8-inch diameter or larger potable water main with at least one project over 1000 feet in length. Submitted evidence shall include a listing of jobs worked with dates of installation and owner/client contact information.
7. Project Closeout: Upon completion of the extension, but prior to acceptance of ownership and maintenance of the water main extension, the Project Owner shall provide to the Water Board the following:
 - a. Signed certifications from the owner, engineer of record and contractor that the project was completed in accordance with the plans and specifications.
 - b. A satisfactory as-built record drawing prepared by the engineer.
8. Final Cost Reconciliation: After submittal of satisfactory documents listed in Item 7 above the Water Board will compile the total cost of inspection and either refund any excess funds deposited by the applicant or invoice the applicant for any overrun of inspection costs. The applicant will pay all costs exceeding the estimated cost prior to receiving water service.
 - ~~1. The project developer applies to the Water Board for water main extension into the area.~~
 - ~~i. 2. The Water Board designs a system (or approves a design) that is consistent with City water service and fire protection standards.~~
- ~~3. Oftentimes, it is found that the water main must be extended for quite a distance to the area of the development. In this case, the developer pays for the size of main that is needed for his project and the Water Board installs the size main that will fit the long-range plan. Within the limits of the project, the developer pays the complete cost of the mains and services of the size that is needed to give good service to his project. If the long-range plan calls for larger pipe than is needed for service to his project, this may be done at no additional cost to the developer.~~

- ~~4. The developer then advances the estimated cost of the mains and services to the Water Board and signs a contract that stipulates that, as houses in this project are served and new customers sign for water service, Board will turn on the water from the new services to the new customers.~~

B. ¹⁸Water Main Extensions Outside the City

Water main extensions for developments outside the City ~~are not paid by water revenues in any case. They must be paid for by those requesting or desiring the water main extension. Consequently, if~~ will follow the requirements contained in Section VIII, Paragraph A. If a single customer or group of customers outside would like a water main extended, ~~he~~ they shall pay the full cost of labor and materials for extending the water main, ~~as well as the service charge applying to that class of service.~~ If ~~a~~ an individual or group of people request water service outside the City, the request may be processed as follows:

1. The prospective new customers shall circulate a petition among themselves ~~and~~ which shall clearly ~~state~~ identify which of them ~~are interested in~~ want to receive water service.
2. The prospective new customers shall then make an initial written application to the Water Board for design and installation of the new water main by Water Board staff.
3. At the Water Board's sole discretion, the Water Board may agree to design and install the water main as described below. The Water Board reserves the right to require design and installation of the new water main as described in Section VIII Paragraph A above.
4. If the Water Board agrees to design and install the new water main, Water Board staff will prepare a design that will provide adequate service for the foregoing group of customers and estimate the project cost to be divided among the customers.-

~~2~~The Water Board designs a water system that will provide adequate service for the foregoing group of customers. The estimated cost of the water main is then divided by the number of customers interested in receiving water service in that proposed development. A contract is drawn between the Water Board and each and all of the new customers in the development, in which they each pay a proportionate share of the estimated cost of the water main extension, plus a service charge

5. The estimated cost of the new water main, including design costs, shall ~~is~~ then ~~be~~ divided by the number of customers who were identified in the petition as wanting to receive water service in that proposed development.
6. A contract shall be drafted between the Water Board and each and all of the new customers in the development which shall provide that the new customers shall each prepay their proportionate share of the estimated cost of design and construction of the new water main extension.
7. When construction is complete the Water Board will total the cost of installation and either refund any surplus or invoice the new customers for costs exceeding the estimated cost. Any costs exceeding the estimated cost will be immediately due for payment by the new customer.

C. Special Area Extensions

If the Board has identified an area where prospective customers have made a request for water service but cannot be served through the regular policies, a special policy may be adopted by the Board for the purpose of serving the area. Such a policy shall be set forth in the agreement between the Board and the parties who have requested the service and intend to pay the cost thereof. The policies so agreed upon shall be binding upon all present and future customers within the identified area.

D. Water Main Extensions in Ungraded Street Areas within City Limits

Temporary water mains may be installed in ungraded street locations within the City Limits, in which case, the requesting parties shall pay the full cost of such temporary main extensions.

E. ⁷Extensions of Service to Customers of Another Water Utility

The Board will not accept applications for service from any customer currently receiving service from another water utility except where all current customers of that utility request service of the Board by negotiating the integration of the facilities of that utility into Board ownership and operation.

Exception to the provision of this policy may be made by the Board where approval of the governing body of the other utility concerned is obtained regarding the request of the applicant for service.

F. Refund Provision in Main Extension Contracts

1. ^{14, 63} Refunds of a portion of the cost **for** main extensions inside and outside city limits paid for by a single customer or group of customers may be provided for in the main extension contract. In the case where a single customer or a group of customers has paid the total cost of the main extension, the contract may provide for an amount to be collected from each new customer connecting to that specific main extension, and refunded to the original customer(s) for a period not to exceed ten (10) years.

Refund lots are defined as those properties, parcels, or lots which are not connected or not intended to be connected for service by the original customer funded main extension, but are available and eligible for connection, as determined by the Water Board. More than one connection may be made to each refund lot, and therefore more than one refund amount may be collected from each refund lot.

Before the main extension contract referenced in paragraphs B.-4. and F.-1., is completed and presented to the new customer(s) for execution, the Water Board will estimate the total cost of the main extension as a basis for determining refund amounts. For those main extensions designed and installed by the customer, the customer, through the customer's professional engineer, shall certify to the Water Board the total estimated cost of the main extension. The Water Board will calculate both the total refund amount available to a customer(s) and the amount of refund for each connection ~~to~~ the new water main. This refund amount for each connection will be based on the number of refund lots which may later be connected to the new main. The number of refund lots will be determined by the existing number of lots, based on reference to existing maps or plats on file with the governing body having jurisdiction over land development (Coos County, City of Coos Bay, or City of North Bend). Refund lots will be referenced in the main extension contract and identified by an exhibit attached to the contract. Refunds will be collected and paid only from connections made to identified refund lots.

The amount to be refunded to a customer(s), per connection, will be determined by dividing the total cost of the customer(s) funded main extension by the total number of lots which could potentially be connected to the extension, including both the original customer(s) lots and the number of identified refund lots. The total maximum refund available to a customer will be determined by multiplying the refund amount, per connection, by the number of refund lots identified in the main extension contract.

If, during the 10 year refund period, fewer or additional lots are created or subtracted by further subdivision, or fewer or additional building sites are created or subtracted to result in fewer or additional service connections, the amount to be refunded to the original customer(s) will not be recalculated, but will remain the same dollar amount as set forth in the main extension contract. In no event shall the total of refunds available to a customer(s) exceed the total cost of the main extension.

The amounts paid by a customer(s) which are subject to being refunded pursuant to this regulation shall not bear interest, and any amounts actually refunded shall not include interest. Refund amounts collected from a new customer connecting to the water system shall be in addition to all fees and charges normally imposed by the Water Board for connection to the water system.

2. The Water Board shall be the sole authority for deciding all questions relating to the eligibility for or the amount of any refund given pursuant to this regulation. The decision of the Water Board on all matters relating to the eligibility for a refund or the amount of such a refund shall be final. If a single customer or group of customers has any dispute regarding their eligibility for a refund or the amount of such a refund, such dispute may be brought to the attention of the Water Board through the office of the General Manager.
3. ¹⁵As water main extensions are made in the outside-the-cities area only in response to requests by customers and at their expense, there sometimes are gaps created in the grid system on various streets where water mains may not be interconnected. When paving is to be done on these streets or roads by the County or others, it may become expedient and desirable to install relatively short sections of main to effect the interconnection to avoid cutting of the pavement in the future. When, in the opinion of the Board, such main installations become necessary, they may be done through funding the cost by "borrowing" from the "outside fund". When such extensions are funded through the "outside fund", a refund provision shall apply to such extensions whereby the cost of the extensions will be recovered by additional connection fees charged to future hookups and credited back to the "outside fund". The amount of such additional fee to be determined by dividing the total cost of said main extension by the potential sites to be served directly from said main extension.

Mr. Whitty asked the Board of Directors if they had any comments or concerns. The Board members reviewed the document and suggested the following amendments be made (Underlined language):

Paragraph A.2.b. – Add all Oregon laws

Paragraph A.4 (Easements) - After Owner, in the fourth line down, add: The standard easement format used by the Water Board shall be a permanent easement and may be either an exclusive or non-exclusive easement as determined by Water Board.

Paragraph A.4: Final sentence - The Water Board shall record the easement and the Owner shall pay all costs of recording. The Water Board will return the recorded easement to the Owner.

Paragraph A.7- Add Water Board's acceptance

Paragraph A.8 – Add review and inspection

Paragraph B – grammatical edit

Paragraph B.1 – grammatical edit

Paragraph D – Delete in its entirety

After a brief discussion, motion was made by Dr. Sharps to adopt Resolution No. 387 “Revisions to Coos Bay-North Bend Water Board’s Rules and Regulations, Section VIII - “Water Main Extensions” subject to the agreed upon amendments noted above. Resolution No. 387 read as follows:

RESOLUTION NO. 387

**REVISIONS TO COOS BAY-NORTH BEND WATER BOARD’S
RULES AND REGULATIONS, SECTION VIII “WATER MAIN EXTENSIONS”**

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 and found it prudent and beneficial to make additions and deletions to Section VIII of those rules and regulations pertaining to Water Main Extensions.

NOW, THEREFORE, be it resolved that Section VIII of the Rules and Regulations 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 shall remain in full force and effect until changed by appropriate action of Board.

Adopted this ____ day of _____, 2021.

Exhibit A to Resolution No. 387

SECTION VIII – WATER MAIN EXTENSIONS

The Coos Bay-North Bend Water Board has full authority to develop rules for the extensions of water mains within the City and may enter into an agreement with applicants for water main extensions under such conditions as the Water Board may determine as just and equitable.

²³Simple main extensions which are totally funded by the customer or customers requesting the extension and which do not involve extraordinary or unusual circumstances and which also do not involve changes in normal and established policies do not require formal approval by the Board. Such extensions may be approved by the General Manager. All Board-funded extensions and those customer-funded extensions which do not meet the above criteria will be referred to the Board for approval.

A. Extension Policy for Development Projects

A Development Project is defined as one or more building sites being developed by or under the direction or control of a single Project Owner for the purpose of building residences, industrial buildings or commercial buildings to sell or use. A Project Owner may be an individual, group of individuals, corporation, LLC or other business. In these situations, the Water Board is interested in the orderly growth and development of the City but may not promote any special section or interest. Water system extensions to a Development Project (hereinafter “Project”) shall be done pursuant to the following rules and regulations:

1. Application: The Project Owner shall submit to the General Manager a written request for a Letter of Commitment. The written request shall be signed by the Project Owner and identify the Project Owner and Project Developer (if not the same as the Project Owner) by name and address. The request shall include a detailed description of the size of the proposed Development Project adequate to determine the anticipated demand. If the General Manager determines the Development Project will impose a demand in excess of the capacity of an existing water main

the General Manager may require the Project Owner to replace the existing water main with a new water main as specified by the Water Board. Any such water main replacement shall constitute a water main extension which shall be paid for by the Project Owner.

2. Additional Improvements: The General Manager may require the Project Owner to install additional or larger water mains for the Development Project which may not be required or necessary solely for the Development Project (the “additional improvements”). The determination of whether the Project Owner shall install additional or larger water mains shall be solely with the discretion of the Water Board. In cases where additional improvements are required, the Water Board shall enter into a written agreement with the Project Owner to reimburse the Project Owner for such portion of the costs (labor and material) which are determined by the Water Board to be attributable to the additional improvements.
 - a. If sufficient funds for the additional improvements are not available to the Water Board, the Water Board may deny the application for an extension unless the cost of the additional improvements are paid by the Project Owner as part of the written Agreement for the extension (hereinafter “Agreement”), which shall provide that the Project Owner shall agree to pay the cost of additional improvements, without reimbursement from the Water Board, in order to proceed with the Development Project.
 - b. In cases where the Water Board agrees as part of the Agreement referenced above to reimburse the Project Owner for all or a portion of the costs of the additional improvements the Project Owner shall comply with **all Oregon laws as it applies** including those pertaining to public construction contracts, including, but not limited to, paying prevailing wage rates.
3. Engineer: After the project scope has been determined and the General Manager has issued a Letter of Commitment the Project Owner shall, at their expense, submit complete plans and specifications for the extension. The plans and specifications shall be prepared by a Professional Engineer licensed to practice in the State of Oregon. The plans shall include plan and profile views showing the location of all parallel and crossing utilities. The plans shall be drawn to scale and shall be in conformance with Water Board Standard Specifications and the requirements of OAR 333.
4. Easements: If the extension is outside of a dedicated public right-of-way the Project Owner shall provide an easement description for the portion of the extension that crosses private property. The Water Board will insert the easement description into a standard easement format and provide the document to the Project Owner. **The standard easement format used by the Water Board shall be a permanent easement and may be either an exclusive or non-exclusive easement as determined by Water Board.** As a condition of proceeding with the Development Project, the Project Owner shall obtain signatures from all the private property owners dedicating the easement to the Water Board, which easement shall then be recorded per the requirements of Coos County. **The Water Board shall record the easement and the Owner shall pay all costs of recording. The Water Board will return the recorded easement to the Owner.**
5. Review: The General Manager or designee shall review the application, plans and specifications for satisfactory conformance with Water Board and State of Oregon standards and either approve the application, approve the application with conditions or deny the application. The applicant will be charged a fee of \$200 for review of the plans and specifications by Water Board staff. This fee will be added to the inspection cost in Item 6 below and shall be paid prior to commencing construction of the new main.
6. Construction: The Project Owner shall be responsible for paying the entire cost of constructing the extension including the cost of a full-time Water Board inspector. The Project Owner shall prepay the estimated cost of full time inspection by the Water Board inspector. The estimated inspection cost will be provided by the Water Board and will be based upon the estimated time of construction provided by the Project Owner. When construction is complete Water Board staff will total the cost of inspection and either refund any surplus or invoice the applicant for costs

exceeding the estimated cost. These provisions shall be a part of the Agreement entered into between the Project Owner and the Water Board.

- a. The Project Owner shall cause the extension to be constructed in accordance with the approved plans and specifications. The construction shall be performed by a qualified Public Works Bonded Contractor licensed by the Oregon Construction Contractor's Board. Minimum qualifications for the contractor are as follows:
 - i. Contractor shall submit written evidence of company experience with water main installation including a minimum of 5000 feet of 8-inch diameter or larger potable water main with at least one project over 1000 feet in length. Submitted evidence shall include a listing of jobs worked with dates of installation and owner/client contact information.
 - ii. Contractor shall identify in writing a Responsible Managing Employee who must have experience with water main installation including a minimum of 2000 feet of 8-inch diameter or larger potable water main with at least one project over 1000 feet in length. Submitted evidence shall include a listing of jobs worked with dates of installation and owner/client contact information.
7. Project Closeout: Upon completion of the extension, but prior to **Water Board** acceptance of ownership and maintenance of the water main extension, the Project Owner shall provide to the Water Board the following:
- a. Signed certifications from the owner, engineer of record and contractor that the project was completed in accordance with the plans and specifications.
 - b. A satisfactory as-built record drawing prepared by the engineer.
8. Final Cost Reconciliation: After submittal of satisfactory documents listed in Item 7 above the Water Board will compile the total cost of **review and inspection** and either refund any excess funds deposited by the applicant or invoice the applicant for any overrun of **review and inspection** costs. The applicant will pay all costs exceeding the estimated cost prior to receiving water service.

B. ¹⁸Water Main Extensions Outside the City

Water main extensions for developments outside the City **shall** follow the requirements contained in Section VIII, Paragraph A. If a single customer or group of customers outside would like a water main extended, they shall pay the full cost of labor and materials for extending the water main. If an individual or group of people request water service outside the City, the request may be processed as follows:

1. The prospective new customers shall circulate a petition among themselves which shall clearly identify **who** of them want to receive water service.
2. The prospective new customers shall then make an initial written application to the Water Board for design and installation of the new water main by Water Board staff.
3. At the Water Board's sole discretion, the Water Board may agree to design and install the water main as described below. The Water Board reserves the right to require design and installation of the new water main as described in Section VIII Paragraph A above.
4. If the Water Board agrees to design and install the new water main, Water Board staff will prepare a design that will provide adequate service for the foregoing group of customers and estimate the project cost to be divided among the customers.

5. The estimated cost of the new water main, including design costs, shall then be divided by the number of customers who were identified in the petition as wanting to receive water service in that proposed development.
6. A contract shall be drafted between the Water Board and each and all of the new customers in the development which shall provide that the new customers shall each prepay their proportionate share of the estimated cost of design and construction of the new water main extension.
7. When construction is complete the Water Board will total the cost of installation and either refund any surplus or invoice the new customers for costs exceeding the estimated cost. Any costs exceeding the estimated cost will be immediately due for payment by the new customer.

C. Special Area Extensions

If the Board has identified an area where prospective customers have made a request for water service but cannot be served through the regular policies, a special policy may be adopted by the Board for the purpose of serving the area. Such a policy shall be set forth in the agreement between the Board and the parties who have requested the service and intend to pay the cost thereof. The policies so agreed upon shall be binding upon all present and future customers within the identified area.

D. Water Main Extensions in Ungraded Street Areas within City Limits

~~Temporary water mains may be installed in ungraded street locations within the City Limits, in which case, the requesting parties shall pay the full cost of such temporary main extensions.~~

D. ⁷Extensions of Service to Customers of Another Water Utility

The Board will not accept applications for service from any customer currently receiving service from another water utility except where all current customers of that utility request service of the Board by negotiating the integration of the facilities of that utility into Board ownership and operation.

Exception to the provision of this policy may be made by the Board where approval of the governing body of the other utility concerned is obtained regarding the request of the applicant for service.

E. Refund Provision in Main Extension Contracts

1. ^{14, 63}Refunds of a portion of the cost for main extensions inside and outside city limits paid for by a single customer or group of customers may be provided for in the main extension contract. In the case where a single customer or a group of customers has paid the total cost of the main extension, the contract may provide for an amount to be collected from each new customer connecting to that specific main extension, and refunded to the original customer(s) for a period not to exceed ten (10) years.

Refund lots are defined as those properties, parcels, or lots which are not connected or not intended to be connected for service by the original customer funded main extension, but are available and eligible for connection, as determined by the Water Board. More than one connection may be made to each refund lot, and therefore more than one refund amount may be collected from each refund lot.

Before the main extension contract referenced in paragraphs B.4. and F.1., is completed and presented to the new customer(s) for execution, the Water Board will estimate the total cost of the main extension as a basis for determining refund amounts. For those main extensions designed and installed by the customer, the customer, through the customer's professional engineer, shall certify to the Water Board the total estimated cost of the main extension. The Water Board will calculate both the total refund amount available to a customer(s) and the amount of refund for each connection to the new water main. This refund amount for each connection will be based on the number of refund lots which may later be connected to the new main. The number of refund lots will be determined by the existing number of lots, based on reference to existing maps or plats on

file with the governing body having jurisdiction over land development (Coos County, City of Coos Bay, or City of North Bend). Refund lots will be referenced in the main extension contract and identified by an exhibit attached to the contract. Refunds will be collected and paid only from connections made to identified refund lots.

The amount to be refunded to a customer(s), per connection, will be determined by dividing the total cost of the customer(s) funded main extension by the total number of lots which could potentially be connected to the extension, including both the original customer(s) lots and the number of identified refund lots. The total maximum refund available to a customer will be determined by multiplying the refund amount, per connection, by the number of refund lots identified in the main extension contract.

If, during the 10 year refund period, fewer or additional lots are created or subtracted by further subdivision, or fewer or additional building sites are created or subtracted to result in fewer or additional service connections, the amount to be refunded to the original customer(s) will not be recalculated, but will remain the same dollar amount as set forth in the main extension contract.

The Board's next regular meeting was set for Thursday, February 4, 2021, at 7:00 a.m.

Updates were given as follows:

- McDaniel Street – Paving has been completed from Menasha to the top of the hill. The water main will be replaced this spring, with a trench patch and then a final overlay over the top.
- Flanagan Pump Station Replacement – The project is complete and the pump station is up and running.
- Master Planning - A meeting with Murray Smith and Associates is scheduled for January 27, 2021 for further discussion regarding scope of work and price negotiations. Depending on the outcome of this meeting, it is possible a contract will be presented to the Board for approval at the February 4th Regular Board meeting.
- Timber Services RFQ - The Request for Qualifications have been posted on Quest CDN where the document can be downloaded. Statement of Qualifications are due by February 18, 2021.

At 7:57 a.m. Chair Solarz directed they go into executive session for the purposes of discussing potential litigation pursuant to ORS 192.660(2)(h) and personnel issues pursuant to ORS 192.660(2)(a). They returned to open session at 8:13 a.m. There being no other business to come before the Board, Chair Solarz adjourned the meeting at 8:13 a.m.

Approved: _____, 2021

By: _____
Chair Greg Solarz

ATTEST: _____