

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

Minutes
Regular Board Meeting

January 4, 2018
12:00 p.m.

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Chair Sharps presiding. Other Board members present: Greg Solarz, Melissa Cribbins and Bob Dillard. Board members absent: None. Water Board staff present: Ivan D. Thomas, General Manager; Jeff Howes, Finance Director; Bryan Tichota, Customer Relations Supervisor; Rick Abbott, Distribution Supervisor; Bill Hagan, Operations Manager; Matt Whitty, Engineering Manager; Jerre Cover, Water Treatment Supervisor; Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Media present: None. Aaron Speakman of The Dyer Partnership was present. Chair Sharps opened the meeting at 12:00 p.m. and asked Ms. Cribbins to lead the Board and assembly in the Pledge of Allegiance.

Chair Sharps asked if there were any corrections or additions to the December 7, 2017 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.

Mr. Thomas recognized the following employees for their nominations for “Employee of the Month” for the months of May, June, July, August and October 2017: Ryan Storm, Utility Worker; Reshma Parrish, Water Quality Technician; Cody Bales, Utility Worker; Karen Parker, Administrative Assistant; and Wanda Pickett, Payroll Clerk.

Regarding the proposed engineering services with The Dyer Partnership for the Pony Creek Treatment Plant Chlorine Conversion Project, Mr. Thomas stated Pony Creek Water Treatment Plant currently uses chlorine gas to disinfect drinking water. Staff feels it would be much more efficient and safer to switch to a liquid sodium hypochlorite chemical feed system. Aaron Speakman of The Dyer Partnership stated they were asked to evaluate the current system and look at putting in a sodium hypochlorite system integrating that into the existing SCADA system. Dyer went through several iterations with the current SCADA provider and realized that this path was not in the best interest of the Board.

Mr. Speakman has been working with Jerre Cover, Water Treatment Supervisor, and Bill Hagan, Operations Manager, in developing a new plan. The new system will consist of up to three chemical storage tanks, skid mounted chemical feed system, controls and miscellaneous appurtenances. The existing chlorine feed system will be utilized to deliver the liquid sodium hypochlorite to the various locations throughout the plant. The existing ACH and fluoride storage room will be utilized for the new sodium hypochlorite storage tanks, feed system, and controls.

The existing ACH and fluoride chemical storage tanks are to be demolished to make room for the new sodium hypochlorite storage tanks. The existing chlorine system will be decommissioned. A new garage door will be installed in the wall of the ACH and fluoride storage room, allowing for the installation of the new tanks, and demolition of the existing chemical storage tanks.

The scope of engineering services in proposed Task Order No. 12 includes plans and specifications, bidding and construction period services. Record drawings and an operations and maintenance manual will also be provided. Oregon Health Authority must review and approve the plans and specifications prior to solicitation of bids. The Dyer Partnership's fee for these services is not to exceed a maximum of \$44,000.

Total cost of the project is estimated to be between \$200,000 and \$240,000, including Dyer's engineering services. Mr. Coffey inquired when bids would be solicited. Mr. Speakman stated bid documents would be completed by the end of March.

After a brief discussion, Ms. Cribbins moved to authorize the General Manager to enter into Task Order No. 12 with The Dyer Partnership in the amount of \$44,000 for engineering services related to the Pony Creek Water Treatment Plant Chlorine Conversion Project. The motion was seconded by Mr. Solarz and passed unanimously.

Operations Manager Bill Hagan reviewed staffs' request for renewal of the Oregon Public Works Emergency Response Cooperative Assistance Agreement. The current program contract will expire March 14, 2018. This program allows the utility to call for assistance using a formalized process if it finds itself in an emergency situation where aid is needed in the fashion of personnel, parts, or equipment. The agreement also allows the utility to assist its Oregon neighbors who are a part of the program in a formalized manner. After a brief discussion, motion was made by Ms. Cribbins to authorize the General Manager to renew the Oregon Public Works Cooperative Assistance Agreement. The motion was seconded by Mr. Dillard and passed unanimously.

Finance Director Jeff Howes stated Milliman, Inc. has completed the biennial actuarial valuation for the Retirement Plan as of July 1, 2017, which completes Addendum 2 to Schedule A of the Consulting Services Agreement. An updated Addendum has been requested from Milliman. A schedule of estimated fees for the actuarial valuation and GASB disclosure requirements for the Retirement Plan are as follows:

Measurement Date	Actuarial Valuation	GASB Disclosure
July 1, 2019	\$14,800 - \$15,300	\$2,750 - \$3,250
June 30, 2020		\$2,800 - \$3,300
July 1, 2021	\$15,400 - \$15,900	\$2,850 - \$3,350
June 30, 2022		\$2,900 - \$3,400

The Actuarial valuation increased at an annual rate of 1 percent and the GASB disclosure rate increased to cover the true cost of completion. Both rates are not-to-exceed rates. After a brief discussion, Ms. Cribbins moved to accept Addendum 3 to Schedule A of Milliman's Consulting Services Agreement. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding 14th and F Reservoir Roof Replacement, Engineering Manager Matt Whitty stated the roof replacement project was included in the 5-year CIP and a portion of the estimated

replacement cost was included in the current FY18 budget, with the remaining cost in fiscal year 2019. The total estimated CIP cost was \$194,500, including a 25 percent contingency. The amount of \$54,400 is included in the current fiscal year's budget.

The estimated replacement cost was based on costs incurred for the Hauser Reservoir roof replacement which included installation of temporary water, and complete replacement of the roof, including the trusses.

Staff has performed a more detailed inspection of the existing roof at 14th and F Reservoir. The roof trusses look good and do not need replaced, with only a portion of the sheathing needing replaced. In addition, the reservoir has two chambers that are isolated by a partition wall, therefore allowing half of the reservoir to remain in service at all times and eliminating the need for temporary water.

Staff proposes removing the composite roof and replacing it with a standing seam metal roof installed by the utility's crew. The estimated cost for replacing the roof is \$33,000, including a 15% contingency. After a brief discussion, Dr. Sharps moved to authorize the replacement of the 14th and F Reservoir roof using Water Board labor at an estimated cost of \$33,000. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was set for Thursday, January 18, 2018, at 7:00 a.m.

Updates were given as follows:

- Parking Lot Lighting Project - Reese Electric has been on site with their supplier gathering necessary information for the Energy Trust of Oregon. A draft contract will be prepared for review by Mr. Coffey.
- State Street Main Replacement Project – staff has applied for a permit from the City of North Bend and once obtained the project will commence.
- North 8th Street project – some asphalt work needs to be removed and put up against the concrete.
- Joe Ney Dike – staff recently visited the site and the boil appears to be less than it was last spring.
- 6th Avenue Bridge Water Main Replacement – one half of the bridge deck is on. The other half of the bridge deck will be done within the next couple of weeks, which is where the water main will hang from.

Mr. Thomas stated he had been approached with the idea of opening designated areas of the watershed to the public for uses such as archery, biking, hiking, among other things. Mr. Thomas' immediate concern is to keep the water supply safe, as well as the timber units. Dr. Sharps commented the watershed is an asset to the cities, and as long as there is a means and a way of controlled access it may be favorable. Mr. Coffey stated staff may want to inquire as to what other water utilities do in terms of whether public access is allowed. In summary, Dr. Sharps stated since there appears to be interest among the Board members, staff should further investigate and report back to the Board at a later date.

At 12:35 p.m. Chair Sharps directed they go into executive session for the purpose of discussing potential litigation pursuant to ORS 192.660(2)(h). They returned to open session at 12:53 p.m.

There being no other business to come before the Board, Chair Sharps adjourned the meeting at 12:53 p.m.

Approved: _____, 2018

By: _____
Chair Charles J. Sharps, Ph.D.

ATTEST: _____