

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

Minutes
Regular Board Meeting

January 15, 2026
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 Rob Kilmer presiding. Other Board members present: Greg Solarz and Carmen Matthews. Board Members absent: Bill Richardson. Water Board staff present: Ivan D. Thomas, General Manager; Jeff Miller, Operations Manager; Matt Whitty, Engineering Manager; Monica Kemper, Finance Director; Aimee Hollis, Customer Relations Manager; and Stacey Parrott, Executive Assistant & HR Specialist. Board Legal Counsel Melissa Cribbins was present. Media present: None.

Vice Chair Kilmer opened the meeting at 7:02 a.m. and led the Board and assembly in the Pledge of Allegiance.

Vice Chair Kilmer asked if there were any corrections or additions to the December 4, 2025, Regular Board meeting minutes. Mr. Matthews moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

Vice Chair Kilmer asked if there were any public comments and there were none.

Regarding the proposed award of water treatment chemical bids for the 2026 calendar year, Operations Manager Jeff Miller provided an overview of the bidding process. On November 20, 2025, bid requests were sent to 32 vendors, consistent with prior years. In addition to the Water Board's regularly utilized treatment chemicals, powder activated carbon was included in this year's bid due to current operational use of super sacks associated with the unloader system.

Bids were closed on December 19, 2025, and the Water Board opened bids on December 23, 2025. Proposals were reviewed and the lowest responsible bidder was identified for each chemical as noted:

- Liquid Poly Aluminum Chloride to USALCO for \$1,104.00/ton. This is an increase of \$98.00 a/ton. This is an estimated \$9,114.00 increase for this year.
- Anhydrous ammonia to Airgas Specialty Products Inc. for \$2,880.00/ton This was an increase of \$30.00 a/ton. This is an estimated \$180.00 increase for this year.
- Low Salt Sodium Hypochlorite (12.5%) to HASA Inc. for \$2.62/gal. This product remained at the same price.
- Sodium Fluoride to Cascade Columbia Distribution Co. for \$2,992.00/ton. This was a decrease of \$58.00 a/ton. This is an estimated \$522.00 decrease for this year.
- 25% Sodium Hydroxide to Univar Solutions Inc. for \$262.25/ton. This is a decrease of \$88.15/ton. This is an estimated \$3,878.60 decrease for this year.
- Powder Activated Carbon to Cascade Columbia Distribution Co. for \$4,400.00/ton.

Mr. Miller noted that the estimated treatment chemical costs for 2025 were \$276,285.00 and the estimated treatment chemical costs for 2026 are \$313,179.00. This is an increase of approximately \$36,894.00. The Water Board currently has a budget of \$330,000.00 for treatment chemicals in the FY 2025/2026 budget, ensuring that the increased costs would remain within the budgeted allocation.

Mr. Solarz moved to accept all quotes and award the chemical quotes for the 2026 calendar year to the supplier with the lowest quote for each chemical. The motion was seconded by Mr. Matthews and passed unanimously.

Regarding the purchase of a new stream & current monitor (SCM), Operations Manager Jeff Miller shared that this is an essential process control instrument used to measure the electrical charge in the water and support proper chemical treatment. The existing SCM at the treatment plant, manufactured and serviced by Hach, is nearing the end of its useful life and has become increasingly unreliable, requiring frequent attention to remain operational.

In addition to equipment condition, staff noted a significant operational concern with the current system configuration. Due to the SCM's location in the laboratory, there is approximately a 20-minute delay between chemical application and receipt of monitoring data. In the event of a water quality upset, this delay can result in substantial disruption to treatment operations. Mr. Miller explained that relocating the SCM to the headworks would allow for near-instantaneous readings and significantly faster response times. A direct cable connection to the control room would provide operators with real-time data.

Three vendors were contacted to evaluate replacement options. Hach's current SCM model was determined to be unsuitable due to its vulnerability to outdoor elements unless extensive protective measures were installed. Pump Dynamics, from Hillsboro, provided a quote for a Milton Roy SC5200 for \$37,566.05. Correct Equipment submitted a quote for a Chemtrac HA2-DT4 SCM, including a 400-ft cable, and freight for \$14,615.00.

It was reported that \$15,000.00 was allocated for this project in the current year's capital budget and recommended approval of the Chemtrac unit from Correct Equipment, citing suitability for the intended installation and operational needs.

Following a short discussion, Mr. Matthews moved to approve the purchase of the Chemtrac HA2-DT4 streaming current monitor with 400-foot cable and freight, totaling \$14,615.00. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding the proposed award of bid for the FY 2025 water main replacement bundle, Engineering Manager Matt Whitty presented the Board with results of the bidding process. It was noted that this year's bundle represents a larger than usual project, primarily due to the inclusion of the Lockhart project, which is extensive in scope. Mr. Whitty explained that funding for the Lockhart portion had been intentionally budgeted over a three-year period to allow sufficient reserves for construction. He reported that the project was advertised slightly later than usual due to a significant amount of private development activity over the summer months, which limited available engineering and labor resources. Despite the timing, the project received strong interest, with eleven contractors submitting bids.

The lowest bid was submitted by SLE, Inc. in the amount of \$999,752.00. Mr. Whitty explained that while the company was not previously known to the Board, additional due diligence was performed to evaluate qualifications and experience, which included a request for documentation confirming the company meets minimum experience requirements outlined in the bid specifications. It was further noted that one of the company's owners will serve as the on-site project manager.

Mr. Whitty stated that the bid amount was approximately \$350,000.00 lower than anticipated estimate. The protest period had expired, and no protests were received. Based on the bid results and qualification review, staff recommend that the Board accept the low bid and award the FY 2025 water main replacement bundle to SLE, Inc.

Mr. Matthews began discussion on the benefits of awarding projects to the lowest responsible bidder while also acknowledging the value of supporting local contractors when bids are closely aligned. It was noted that while this consideration may warrant future discussion, the significant cost difference in this instance clearly supported acceptance of the lowest bid.

Mr. Solarz moved to accept the low bid in the amount of \$999,752.00 and award the 2025 water main replacement bundle to SLE, Inc.. The motion was seconded by Mr. Matthews and passed unanimously.

Regarding the proposed award of bid for the Pony Creek discharge line tunnel project, Engineering Manager Matt Whitty presented an overview of the project background, scope, and bidding process. He explained that in 2014 the Water Board previously retained Jacob's Associates to evaluate the condition of the existing tunnel and develop alternatives to address cave-ins and structural concerns. Based on that evaluation, Dyer Partnership prepared the project design, specifications and bidding documents.

The project was advertised in early November 2025, and a virtual bid opening was held on December 10, 2025, using QuestCDN. Four contractors submitted bids as follows:

- Papaya Contracting LLC \$157,362.00
- Legacy Contracting Inc \$239,805.00
- Elk Mountain \$259,100.00
- Laskey-Clifton Corp \$594,800.00

The low bid was submitted by Papaya Contracting, LLC. Mr. Whitty discussed interactions with the contractor during bidding phase and expressed confidence in the firm's understanding of the project and proposed construction approach. The contractor demonstrated familiarity with tunnel rehabilitation work and presented a clear plan addressing the existing voids caused by the cave-ins.

Mr. Solarz requested additional information regarding the project scope and Mr. Whitty provided further explanation that the project will involve filling the lower portion of the existing tunnel with slurry to create a stable base, followed by installation of a 36-inch diameter steel carrier pipe pushed through the tunnel over a length of approximately 230 feet. Once the pipe is in place, the annular space around the pipe will be filled with slurry,

effectively creating a conduit for the new discharge line and stabilizing the tunnel for long-term use.

Mr. Whitty shared that the contractor is prepared to begin work promptly upon award, that a Notice of Intent to Award has been issued, and the protest period has expired. It was reported that \$281,000.00 was allocated for this project in the FY 2026 capital budget. Based on the bid results and the contractor's qualifications, it was recommended that the Board accept the low bid and award the Pony Creek pump discharge line tunnel project to Papaya Contracting, LLC.

Mr. Matthews moved to accept the low bid in the amount of \$157,362.00 and award the Pony Creek pump discharge line tunnel project to Papaya Contracting, LLC. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was scheduled for Thursday, February 12th, 2026, at 7:00 a.m.

Updates were given as follows:

- HVAC Replacement for Water Treatment Plant – the new system is operational and is now providing heat to the chlorine storage room. It is functioning as intended and is performing effectively throughout the treatment plant.
- FY25-26 Water Rate Analysis – following the Boards prior direction on the selected rate option, a meeting was held with FCS to discuss next steps for communicating the rate proposal to customers and the public. The intent is not to reconsider the selected rate path, but to ensure clear and effective communication regarding the adopted direction and its impacts.

A proposed outreach plan was outlined, beginning with development of a bill insert prepared in coordination with FCS to explain completion of the Water Master Plan, identification of funding needs, completion of the rate study, and the rate option selected by the Board. It was also proposed to schedule a public notice board meeting to present the rate information again for public attendance, potentially at an alternative location or time to accommodate greater participation. There is also a plan to send a targeted letter to the top 25 water users and to customers within the multi-residential, commercial, industrial and public classes most affected by the proposed rate adjustment. The letter will explain the proposed changes, notify recipients of the public meeting, and offer individual meetings with staff to review the rate impacts and supporting analysis. Consultants from FCS and the Master Plan team could be available to attend the public meeting to provide technical explanation and ensure accurate communication.

These outreach efforts are anticipated to occur in April or May and align with the upcoming budget season. Following completion of the public outreach, it is anticipated that there will be a formal motion for Board consideration to adopt the rate and system development charges in advance of the Budget Committee process. Board members expressed support for the proposed outreach approach and provided general feedback. No formal action was taken.

At 7:32 a.m. Vice Chair Kilmer directed they go into executive session for the purpose of discussing potential litigation pursuant to ORS 192.660(2)(h).

There being no other business to come before the Board, Vice Chair Kilmer adjourned the meeting at 8:05 a.m.

Approved: _____, 2026

By: _____
Bill Richardson, Chair

ATTEST: _____