

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

Minutes
Regular Board Meeting

July 1, 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, Bob Dillard and Melissa Cribbins. Board members absent: None. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; Bryan Tichota, Customer Relations Supervisor; John McKeVitt, Operations Manager; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Media present: None. Chair Solarz opened the meeting at 7:00 a.m. and asked Ms. Cribbins to lead the Board and assembly in the Pledge of Allegiance.

Regarding election of Board Officers, Mr. Solarz moved they follow the regular rotation of officers to commence immediately. The motion was seconded by Mr. Dillard and passed unanimously. Officers for the following year are as follows: Chair – Dr. Charles Sharps; Vice-Chair – Melissa Cribbins; Secretary – Bob Dillard; and Member –Greg Solarz.

Chair Sharps asked if there were any corrections or additions to the June 17, 2021, 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 proposed Task Order No. 24 with The Dyer Partnership for completion of the utility's Emergency Response Plan, Mr. Thomas stated the America's Water Infrastructure Act requires community (drinking) water systems serving more than 3,300 people to develop or update risk and resilience assessments (RRAs) and emergency response plans (ERPs). The Water Board's existing RRA and ERP do not meet AWIA requirements.

Upon completion, both documents must be submitted to the U.S. Environmental Protection Agency (EPA) for certification. The certification deadline is dependent upon the population a water system serves. The deadline for Water Board certification of the RRA is June 30, 2021. Water Board staff have completed the RRA and the document was submitted to the EPA on June 29, 2021. The ERP must then be completed and certified within six months of RRA certification.

This project is included in the current fiscal year's budget in the amount of \$30,000. With recent staffing turnover, the Board has planned the ERP portion of the AWIA requirement to be completed by a consultant in FY 2022. The Water Board has a current professional services agreement in place with The Dyer Partnership. Task Order Number 24 outlines the scope of work to complete the Water Board's ERP that meet AWIA requirements. In addition, the plan will be a usable document for management and staff in the face of an emergency and replace the Water Board's Emergency Response plan dated December 2004.

Dr. Sharps asked if staff has started the process of the Emergency Response Plan. Mr. Thomas stated the previous Operations Manager was working on this Plan but in order to meet the EPA's deadline staff believes it is in staff's best interest to contract with The Dyer Partnership. Ms. Cribbins agreed especially due to the fact of the current staffing shortage. Mr. Dillard stated Dyer will make the document digital so it will be easily accessible. After a brief discussion, Ms. Cribbins moved to approve Task Order Number 24 with The Dyer Partnership allowing the General Manager to sign a contract in the amount of \$21,400 to complete the Water Board's Emergency Response Plan. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding proposed 2nd Street, "A" Street and Cypress Point Water Main Replacement project, Engineering Manager Matt Whitty stated the City of Coos Bay notified staff in February of an upcoming street replacement project in Eastside that included 1st Street, "A" Street and a portion of 2nd Street near Millicoma School. The current Water Board capital plan includes two water mains needing replacement within the City's project area. Staff immediately contacted the City and requested the postponement of the City project to allow time for the replacement of the water mains. City staff informed Water Board staff that the project was already out for bid and they would work with the successful contractor to coordinate the schedule to allow for the water main replacement.

Knife River Materials was the successful bidder on the City's street project. Negotiations between City staff and Knife River resulted in an agreement to reconstruct the street in April as planned but only place the first lift of AC pavement to allow a window for the water main replacement. Knife River's work is now complete with the exception of the final lift of AC pavement.

Water Board staff included the project in the recently approved FY '22 budget. At the direction of the General Manager, staff began designing the water main replacement when the project was identified. During design, staff identified the need for additional water main replacement on Cypress Point that is outside the City's project area. Staff proposes using Water Board staff for installation of the new water mains. The total project includes 800 feet of 6-inch and 330 feet of 2-inch water main. The total estimated cost of the project is \$171,900.

Dr. Sharps asked when this project was scheduled to start. Mr. Whitty stated if approved by the Board the project would begin immediately. After a brief discussion, Mr. Solarz moved to approve the replacement of 1,130 feet of water main on 2nd Street, "A" Street, and Cypress Point at an estimated cost of \$171,900. The motion was seconded by Ms. Cribbins and passed unanimously.

Regarding proposed Fifth Amendment to the Lease Agreement with PacifiCorp, Mr. Thomas stated PacifiCorp now wishes to extend the lease agreement for an additional five-year period with the option of four additional five-year periods, each to be negotiated or renewed at the end of each period. The end of the first additional period would end December 20, 2026. Mr. Thomas stated he negotiated an increased price for upcoming renewal years. The price was increased from \$5016.32 in year 2021 to \$6000 in year 2022.

The site that is leased is a small area for radio communications for PacifiCorp which is located near the high level pump station on Water Board Hill.

In 2019, the Portland CPI was discontinued and the Seattle CPI was designated in the Fourth Amendment to the contract. To negate this type of negotiation mid contract in the future, staff recommends that that Board adopt a flat 3% annual rate increase with the Fifth Amendment to the contract. The average of the Seattle CPI-U over the last five years is 2.5%.

Dr. Sharps inquired after five years could this lease be extended for an additional 3% a year for 5 more years, but the Board has the option not to extend the contract as well. Mr. Thomas confirmed this is accurate. After a brief discussion, Mr. Dillard moved to allow the General Manager to enter into the Fifth Amendment to the Lease Agreement with PacifiCorp on behalf of the Water Board. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was set for Thursday, August 19, 2021, at 7:00 a.m.

Updates were given as follows:

- Tank Maintenance – Upon inspection of Radar tank, the weld seams around the safety entrance on the top of the tank did not meet necessary requirements so SUEZ is scheduled to recoat that area and once complete Radar tank will then be put back in service.
- Meter Change Out/AMR Pilot – 900 new meters have been ordered and should be delivered in 6 to 8 weeks. The new meters will be installed. Staff will be trained on the new system.

Mr. Thomas asked Mr. McKevitt to give an update on the chlorine situation due to the Westlake Chemical factory shut down about one month ago. Mr. McKevitt stated he spoke with a representative from HASA, the Water Board's source. Westlake is up and running now. They have made the equipment repairs necessary and they are functional. HASA stated the Water Board can order chlorine as usual but due to the fact HASA is having to source their chlorine out of state and filed force majeure they would increase their price by 9 cents per gallon, from \$1.33/gallon to \$1.42/gallon. HASA is anticipating this to last 60 days. The Water Board has enough chlorine on hand to get through August.

Dr. Sharps asked what is meant by "force majeure". Mr. Coffey stated when a contract is negotiated unforeseeable circumstances may arrive under no control of either party to the contract. This allows HASA to pass along the additional cost. Motion was made by Mr. Solarz to increase the cost of chlorine from the negotiated contract with HASA from \$1.33/gallon to the temporary price of \$1.42/gallon, with the cost of chlorine to return to the original contract price of \$1.33/gallon after the expiration of 60 days. The motion was seconded by Mr. Dillard and passed unanimously.

Regarding the Service Center upgrades, Mr. Thomas stated now that the State has eliminated Oregon's County Risk Level and most remaining COVID-19 restrictions, staff has discussed reopening the lobby on Tuesday, July 6th. One of the upgrades was to have a walk up window for security purposes and to let customers into the building if needed. Mr. Thomas asked the Board members their thoughts on reopening the lobby and then once the walk up window is complete close the lobby. Dr. Sharps asked when the remodel upgrades would be sent out for bids. Mr. Thomas stated in 3 to 6 months. Dr. Sharps commented the lobby should be reopened July 6th and Ms. Cribbins agreed. It was the Board's consensus to reopen the lobby on July 6, 2021.

At 7:28 a.m. Chair Sharps directed they go into executive session for the purpose of discussing potential litigation pursuant to ORS 192.660(2)(h) and performance evaluation of General Manager pursuant to ORS 192.660(2)(i). They returned to open session at 8:38 a.m.

Chair Sharps stated the Board had conducted a performance review of the General Manager and his performance has been excellent. Ms. Cribbins moved to increase the General Manager's annual compensation to include a 2.0% COLA, (from \$139,528.00/annually to the amount of \$142,319/annually) being retroactive to July 1, 2021, and as a one-time added benefit the General Manager shall be given an additional 15 days of vacation to be used by January 1, 2022, and to accept the performance evaluation form as submitted. The motion was seconded by Dr. Sharps and passed unanimously.

There being no other business to come before the Board, Chair Sharps adjourned the meeting at 8:40 a.m.

Approved: _____, 2021

By: _____
Chair Charles Sharps, Ph. D.

ATTEST: _____