

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

Minutes  
Regular Board Meeting

June 13, 2018  
1:00 p.m.

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Vice-Chair Melissa Cribbins presiding. Other Board members present: Greg Solarz and Bob Dillard. Board members absent: Dr. Charles Sharps. Water Board staff present: Ivan D. Thomas, General Manager; Jeff Howes, Finance Director; Bryan Tichota, Customer Relations Supervisor; Bill Hagan, Operations Manager; Matt Whitty, Engineering Manager; Jerre Cover, Water Treatment Supervisor; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Media present: None. Vice-Chair Cribbins opened the meeting at 1:05 p.m.

Vice-Chair Cribbins asked if there were any corrections or additions to the May 16, 2018, Regular Board meeting minutes. Mr. Dillard moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

Vice-Chair Cribbins asked if there were any public comments, and there were none.

Mr. Thomas presented proposed Resolution No. 361 titled “Adjustments to General Water Rates, Fire Services, Fire Hydrants, 24-Hour Notice Fee, Delinquency Charge/Shut Off Fee and System Development Charges”. He said if the Board decides to act on the recommendation given by the Budget Committee at their June 13, 2018 meeting, this resolution would formalize their recommendation regarding the fiscal year 2018-19 budget. Mr. Thomas stated the proposed resolution reflects the budget presented to the Budget Committee and the 4.0 percent adjustment to general water rates, fire services, fire hydrants and System Development Charges; adjustments to the 24-hour notice fee from \$5.00 to \$8.00; and the delinquency charge/shut off fee from \$18.00 to \$31.00. Mr. Solarz moved to accept the recommendation of the Budget Committee regarding the Fiscal Year 2018-2019 budget and adopt proposed Resolution No. 361 as proposed. The motion was seconded by Mr. Dillard and passed unanimously. The resolution read as follows:

**Resolution No. 361**

**ADJUSTMENTS TO GENERAL WATER RATES  
FIRE SERVICES, FIRE HYDRANTS, 24-HOUR NOTICE FEE,  
DELINQUENCY CHARGE/SHUT OFF FEE  
AND  
SYSTEM DEVELOPMENT CHARGES**

WHEREAS, by and pursuant to the authority vested in the Coos Bay-North Bend Water Board (Water Board), pursuant to the respective charters of the Cities of Coos Bay and North Bend, Oregon, and the laws of the State of Oregon, said Water Board has the right and authority to fix rates to be paid by users of water from the Water Board system, to make and determine reasonable classifications of various rates, and to promulgate and make effective regulations and service fees in connection with the operation of said water system; and

WHEREAS, Water Board has reviewed current rates and charges in relationship to the operational and capital needs of the utility and found them insufficient to meet Water Board's goals; and

WHEREAS, Water Board has determined that the needs of the utility must be appropriately funded;

NOW, THEREFORE, BE IT RESOLVED, that general water rates, fire services, fire hydrants, 24-hour notice fee, delinquency charge/shut off fee and System Development Charges for all classifications of water users within and without the corporate limits of the Cities of Coos Bay and North Bend, Oregon, established by duly adopted resolutions of Coos Bay-North Bend Water Board, shall be amended by the attached Exhibit "A" to be effective July 1, 2018, for all bills rendered on or after July 1, 2018.

**EXHIBIT A  
GENERAL WATER RATES**

Rate per 100 cubic feet for all consumption over 300 cubic feet			Minimum charge for consumption metering from 0 to 300 cubic feet per month		
<u>Classification</u>	<u>Inside</u>	<u>Outside</u>	<u>Meter Size</u>	<u>Inside</u>	<u>Outside</u>
Residential	\$3.204	\$4.263	Meter Surcharge	\$0.00	\$5.00
Multiple-residential	2.513	3.662	5/8-inch	21.77	30.40
Commercial	2.549	3.717	3/4-inch	23.11	32.35
Industrial	2.211	2.961	1-inch	28.53	39.95
Public/Other	2.316	3.371	1 1/2-inch	42.11	58.97
Untreated		0.379	2-inch	62.48	87.48
			3-inch	110.04	154.10
			4-inch	178.00	249.18
			6-inch	347.86	487.00
			8-inch	551.67	772.35
			10-inch	789.47	1,105.28

**FIRE SERVICES**

**To be charged monthly at the rate of \$5.49 per inch of diameter of service pipe in addition to any meter rate**

<u>Fire Service Line Size</u>	<u>Monthly Fee</u>
2" or less	\$ 10.98
3"	16.47
4"	21.96
6"	32.94
8"	43.92
10"	54.90

**SYSTEM DEVELOPMENT CHARGES**

<b>METER SIZE</b>	<b>(ME) Meter Equivalent</b>	<b>SDC</b>
5/8"	1.0	\$ 3,820
3/4"	1.5	\$ 5,730
1"	2.5	\$ 9,550
1.5"	5.0	\$ 19,101
2"	8.0	\$ 30,561
3"	16.0	\$ 61,122
4"	25.0	\$ 95,503
6"	50.0	\$191,006
8"	80.0	\$305,610
10"	115.0	\$439,314

**FIRE HYDRANT RATES**

- a. Hydrants inside the Cities of Coos Bay and North Bend which are owned by the Cities of Coos Bay and North Bend - NO CHARGE
- b. Hydrants owned and maintained by private parties or by other public bodies within the Cities of Coos Bay and North Bend, per month in advance - \$11.33
- c. Hydrants owned and maintained by organized fire districts, private parties, or by other public bodies outside the corporate limits of Coos Bay and North Bend, per month in advance - \$15.74

**MISCELLANEOUS FEES**

- 1. 24-hour Notice Fee - \$8.00
- 2. Delinquency Charge or Shut Off Fee - \$31.00

**NOTE: THE ABOVE GENERAL WATER RATES, FIRE SERVICES, FIRE HYDRANTS, SYSTEM DEVELOPMENT CHARGES AND MISCELLANEOUS FEES SHALL BE IN EFFECT FOR ALL CHARGES MADE AND BILLED AS OF THE JULY 1, 2018, BILLING DATE.**

Mr. Thomas presented proposed Resolution No. 362 titled "Resolution Extending Workers' Compensation Coverage to Volunteers of Coos Bay-North Bend Water Board for Policy Year 2018-2019. Insurance will be provided by SAIF Corporation. The estimated premium for

coverage is \$10.00 per year. Mr. Solarz moved they adopt Resolution No. 362 as proposed. The motion was seconded by Mr. Dillard and passed unanimously. The resolution read as follows:

**Resolution No. 362**

**A RESOLUTION EXTENDING WORKERS' COMPENSATION COVERAGE TO  
VOLUNTEERS OF COOS BAY-NORTH BEND WATER BOARD FOR POLICY YEAR  
2018-2019**

WHEREAS, ORS 656.031 provides that workers' compensation coverage will be extended to the classes of volunteer workers;

NOW, THEREFORE, be it resolved that Coos Bay-North Bend Water Board elects to provide workers' compensation coverage as listed below:

1. Unpaid volunteer Board Members will be provided with workers compensation based on providing administrative duties and hours volunteered. The assumed hourly wage for unpaid volunteer Board Members will be the assumed minimum wage filed by the National Council on Compensation Insurance for the year in which the volunteer services are provided.
2. A roster of active volunteers (non-public safety) will be kept monthly for reporting purposes. It is acknowledged that SAIF may request copies of these rosters during year-end audit; and
3. Unanticipated volunteer projects or exposure not addressed herein will be added to Coos Bay-North Bend Water Board's coverage agreement (1) by endorsement, (2) with advance notice to SAIF, and (3) allowing two weeks for processing. It is hereby acknowledged that coverage of this type cannot be backdated and must be pre-approved; and
4. This resolution will be updated annually.

Mr. Thomas reviewed a letter from Board Attorney Jim Coffey requesting an adjustment in legal fees effective July 1, 2018 based on the Portland CPI percentage. There are sufficient funds in the Fiscal Year 2018-2019 budget for legal expenses to accommodate this increase. Legal fees would be increased by 2.2 percent as follows: Jim Coffey and Mike Stebbins from \$178.99/hour to \$182.57/hour; Jane Stebbins from \$167.34 to \$170.69; and paralegal services from \$63.55 to \$64.82. The last attorney fee increase was September 1, 2017. After a brief discussion, Mr. Dillard moved to approve the attorney fee increase as outlined in Mr. Coffey's letter effective September 1, 2018. The motion was seconded by Mr. Solarz and passed unanimously.

Mr. Thomas presented the annual proposal for workers' compensation insurance from Nasburg Huggins Insurance Agency for FY 2018-2019. SAIF Corporation is the current provider of workers' compensation insurance. The premium for FY2017-2018 will close at the estimated amount of \$37,385. The 2018-2019 proposal illustrates a price decrease of \$9,952 for a total estimate of \$27,433. The decrease in premium reflects the Water Board's experience modification rating for workers' compensation which is decreasing from 1.04 to .81. The

modification rate is based on the last 3 year history of workers' compensation claims and projected payroll for the coming year. The estimated premium of \$27,433 is included in the FY2018-2019 budget. After a brief discussion, Mr. Solarz moved to authorize the General Manager to sign SAIF Corporation's Workers' Compensation insurance renewal agreement for FY2018-2019 in the estimated amount of \$27,433. The motion was seconded by Mr. Dillard and passed unanimously.

Finance Director Jeff Howes stated staff has received the annual proposal for property and liability insurance from Nasburg Huggins Insurance Agency, Inc. for fiscal year (FY) 2018-2019. Nasburg Huggins is the Water Board's current agent for property and liability insurance. City/County Insurance Services (CIS) is the Water Board's current property and liability insurance provider.

The premium for property and liability insurance in FY 2017-2018 is still in review due to additions and deletions on the property and auto schedules during the current fiscal year. An interim invoice will list the premium adjustments and the costs associated with those changes. Cost of coverage is expected to increase due to the adjustments in the utility's property and auto listings. With the current changes the estimated closing cost could be \$123,410.70 for FY2017-2018. The FY2018-2019 proposed premium cost with a multiline credit is \$122,840.91; however this does not include the pending changes for current purchases of new equipment. The premium is budgeted accordingly in the FY2018-2019 budget.

After a brief discussion, Mr. Dillard moved to authorize the General Manager to sign the CIS Property and Liability proposal to secure property and liability service renewals for FY2018-2019 at an estimated cost of \$122,840.91, with the understanding an interim invoice will be received on needed changes to the coverage. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was set for Thursday, July 19, 2018, at 7:00 a.m.

Updates were given as follows:

- Heating Unit at Pony Creek Water Treatment Plant – Waiting for the heating units to be delivered.
- Tank Maintenance Project – SUEZ is completing work on the Millington Reservoir. Five of seven tanks have been completed, leaving Radar and Isthmus Heights tanks scheduled for next year
- Parking Lot Lighting Project-New lights have been installed
- Joe Ney Dike – The Dyer Partnership has submitted their proposal for work needed on repair of the dike
- Sodium Hypochlorite System – A preconstruction meeting was held. Arcadia Environmental will be removing the old tanks.
- McCullough Bridge Main Replacement – A permit has been obtained and once quotes have been received and reviewed, new pipe will be ordered and the project will commence.
- Financial auditor contract – Isler has reviewed and accepted the contract and will be on site soon to perform pre-field work.

At 1:25 p.m. Vice-Chair Cribbins 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 1:56 p.m.

There being no other business to come before the Board, Vice-Chair Cribbins adjourned the meeting at 1:56 p.m.

Approved: \_\_\_\_\_, 2018

By: \_\_\_\_\_  
Vice-Chair Melissa Cribbins

ATTEST: \_\_\_\_\_