

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

Minutes
Regular Board Meeting

June 15, 2017
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 Chair Solarz presiding. Other Board members present: Melissa Cribbins, and Bob Dillard. Board members absent: Dr. Charles Sharps. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; Bill Hagan, Operations Manager; Jerre Cover, Water Treatment Supervisor; Jeff Howes, Finance Director; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Media present: Spencer Cole, The World. Chair Solarz opened the meeting at 1:00 p.m.

Chair Solarz asked if there were any corrections or additions to the June 1, 2017 Regular Board meeting. Ms. Cribbins moved the minutes be approved as written. The motion was seconded by Mr. Dillard and passed unanimously.

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

Mr. Thomas presented proposed Resolution No. 353 titled “Adjustments to General Water Rates, Fire Services, Fire Hydrants and System Development Charges”. He said if the Board decides to act on the recommendation given by the Budget Committee at their June 15, 2017 meeting, this resolution would formalize their recommendation regarding the fiscal year 2017-18 budget. Mr. Thomas stated the proposed resolution reflects the budget presented to the Budget Committee and the rates that would be adjusted to include a 3.5% rate adjustment, as well as an increase in the System Development Charges based on a meter equivalent approach in conjunction with the Water System Development Charge Study, an increase of fire hydrant rates by 3.5% per hydrant per month, and an increase in fire services by 3.5%. Motion was made by Ms. Cribbins to accept the recommendation of the Budget Committee regarding the fiscal year 2017-18 budget and adopt proposed Resolution No. 353 as proposed. The motion was seconded by Mr. Dillard and passed unanimously. The resolution read as follows:

Resolution No. 353

**ADJUSTMENTS TO GENERAL WATER RATES
FIRE SERVICES, FIRE HYDRANTS
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 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, 2017, for all bills rendered on or after July 1, 2017.

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	\$3.081	\$4.099	Meter Surcharge	\$0.00	\$5.00
Multiple-residential	2.416	3.521	5/8-inch	20.93	29.23
Commercial	2.451	3.574	3/4-inch	22.22	31.11
Industrial	2.126	2.847	1-inch	27.43	38.41
Public/Other	2.227	3.241	1 1/2-inch	40.49	56.70
Untreated		0.364	2-inch	60.08	84.12
			3-inch	105.81	148.17
			4-inch	171.15	239.60
			6-inch	334.48	468.27
			8-inch	530.45	742.64
			10-inch	759.11	1062.77

FIRE SERVICES

To be charged monthly at the rate of \$5.28 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	\$ 10.56
3"	15.84
4"	21.11
6"	31.67
8"	42.23
10"	52.79

SYSTEM DEVELOPMENT CHARGES

METER SIZE	(ME) Meter Equivalent	SDC
5/8"	1.0	\$ 3,673
3/4"	1.5	\$ 5,510
1"	2.5	\$ 9,183
1.5"	5.0	\$ 18,366
2"	8.0	\$ 29,386
3"	16.0	\$ 58,771
4"	25.0	\$ 91,830
6"	50.0	\$183,660
8"	80.0	\$293,856
10"	115.0	\$422,417

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 - \$10.89
- 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 - \$15.13

NOTE: THE ABOVE GENERAL WATER RATES AND SYSTEM DEVELOPMENT CHARGES SHALL BE IN EFFECT FOR ALL CHARGES MADE AND BILLED AS OF THE JULY 1, 2017, BILLING DATE.

Mr. Thomas presented proposed Resolution No. 354 titled "Resolution Extending Workers' Compensation Coverage to Volunteers of Coos Bay-North Bend Water Board for Policy Year 2017-18. Insurance will be provided by SAIF Corporation. The estimated premium for coverage is \$12.00 per year. Ms. Cribbins moved they adopt Resolution No. 354 as proposed. The motion was seconded by Mr. Dillard and passed unanimously. The resolution read as follows:

Resolution No. 354

A RESOLUTION EXTENDING WORKERS' COMPENSATION COVERAGE TO VOLUNTEERS OF COOS BAY-NORTH BEND WATER BOARD FOR POLICY YEAR 2017-18

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.

Operations Manager Bill Hagan stated quotes were solicited for a truck mounted utility for the new 2017 model ¾-ton truck recently purchased. Two quotes were received as follows:

<u>Dealership</u>	<u>Quote</u>
Oregon Metalcraft, Myrtle Creek	\$ 7,843
Pummel Truck Supply, Inc., Eugene	\$11,970

Low quote is from Oregon Metalcraft in the amount of \$7,843 and their bid meets all specifications. The amount of \$30,000 is included in the current year's fiscal budget for the ¾-ton truck and utility box. Purchase price of the 2017 ¾-ton truck was \$21,729. After a brief discussion, Ms. Cribbins moved to award the utility box construction and installation to Oregon Metalcraft in the amount of \$7,843. The motion was seconded by Mr. Dillard and passed unanimously.

Mr. Thomas presented the annual proposal for workers' compensation insurance from Nasburg Huggins Insurance Agency for FY 2017-2018. SAIF Corporation is the current provider of workers' compensation insurance. The premium for FY2016-2017 will close at \$39,372. The 2017-2018 proposal illustrates a price decrease of \$1,987 for a total estimate of \$37,385. The decrease in premium reflects the Water Board's experience modification rating for workers' compensation which is decreasing from 1.15 to 1.04. 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 \$37,385 is included in the FY2017-2018 budget. After a brief discussion, Mr. Dillard moved to authorize the General Manager to sign SAIF Corporation's Workers' Compensation insurance renewal agreement for FY2017-2018 in the estimated amount of \$37,385. The motion was seconded by Ms. Cribbins and passed unanimously.

Mr. Thomas gave an update regarding the proposed Parking Lot Lighting project stating he has been in communication with a representative from the Energy Trust of Oregon and will be meeting with him to review the scope of the project.

The Board's next regular meeting was set for Thursday, June 29, 2017, at 7:00 a.m.

At 1:10 p.m. Chair Solarz 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 1:40 p.m.

There being no other business to come before the Board, Chair Solarz adjourned the meeting at 1:45 p.m.

Approved: _____, 2017

By: _____
Chair Greg Solarz

ATTEST: _____