

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

Minutes
Regular Board Meeting

June 3, 2021
1:30 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 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; Jeff Howes, Finance Director and Karen Parker, Administrative Assistant. Present via teleconference was Spencer Gordon of Nasburg Huggins Insurance Agency. Board Legal Counsel Jim Coffey was present. Media present: None. Chair Solarz opened the meeting at 1:30 p.m. and asked Ms. Cribbins to lead the Board and assembly in the Pledge of Allegiance.

Chair Solarz asked if there were any corrections or additions to the May 20, 2021, Regular Board meeting minutes. Dr. Sharps moved the minutes be approved as written. The motion was seconded by Ms. Cribbins and passed unanimously.

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

Regarding proposed renewal of Workers' Compensation Insurance with SAIF Corporation for FY21-22, Finance Director Jeff Howes stated the annual proposal was received from Nasburg Huggins Insurance Agency, Inc., the Board's current agent for workers' compensation insurance.

The estimate for workers' compensation in FY 2020-2021 was closed at \$21,436. The 2021-2022 proposal illustrates a price increase of \$703 for a total estimate of \$22,139. The price increase for FY22's renewal is primarily due to an increase in subject payroll and the allocations of payroll to high cost classifications such as carpentry and roofing. The Water Board modification (mod) rate is decreasing from .68 to .67, a .01 point decrease. The mod rate is based on the latest 3 year history of workers' compensation claims and projected payroll for the coming year. The mod rate is based on the FY's 2018-2020 claims history. The Water Board's mod rate is considered to be excellent. The best workers' compensation premiums are at a mod rate below 1.00. Water Board staff is very proud of our mod rate even with this slight increase.

Mr. Gordon commented the mod rate decreases this year by .1 but the rate factor increased which is increasing the overall cost on the premium. The utility had quite a few small claims happen which were paid for because they were not disabling claims however that does increase the frequency which makes the rates increase.

Workers' compensation insurance services for FY 2021-2022 will be effective July 1, 2021. Premiums will be billed applicable to the service dates within the same year and we receive a 3.5% discount for paying the premium in advance. The premium is budgeted accordingly in the FY 2021-22 Water Board budget.

Mr. Solarz asked if the premium was based on the upcoming fiscal year's wages. Mr. Howes confirmed this is correct.

After a brief discussion, Dr. Sharps moved to authorize the General Manager to sign the SAIF Workers' Compensation agreement to secure workers' compensation insurance service renewals for FY 2021-22 at an estimated cost of \$22,139. The motion was seconded by Ms. Cribbins and passed unanimously.

Regarding the proposed renewal of property/liability coverage for FY2021-22 with City/County Insurance Services (CIS), Finance Director Jeff Howes stated the annual proposal was received from Nasburg Huggins Insurance Agency, Inc., the Board's agent for property and liability insurance.

The FY 2021-22 proposed premium cost with a multiline credit is \$135,389.47. This is an increase of \$6,117 from FY 2020-2021. The increase is from a 2.0% rise in the value of Water Board infrastructure as last evaluated by CIS.

Mr. Gordon stated the 2% increase with CIS is all across the board. In addition, Nasburg joined a new program which gives an additional 2% discount on the CIS renewal, a \$7,000 discount this year.

Property and liability insurance services for FY 2021-22 will be effective July 1, 2021. Premiums will be billed applicable to the service dates within the same year. The premium is budgeted accordingly in the FY 2021-22 Water Board budget.

Dr. Sharps moved to authorize the General Manager to sign the CIS Property and Liability proposal to secure property and liability insurance service renewals for FY 2021-22 at a proposed cost of \$135,389.47. The motion was seconded by Mr. Dillard and passed unanimously.

The Board's next regular meeting was set for Thursday, June 17, 2021, at 1:00 p.m. following the second Budget Committee Meeting at noon.

Updates were given as follows:

- Master Planning – Brian Ginter of Murraysmith is the new project manager, as Heidi will be starting a new career.
- Brussels Street Water Main Replacement – The project went well, and paving needs to be accomplished to complete the project. Staff is expecting this project to come in under budget.
- Timber Sale – The ground cruise is 50% complete and staff is waiting to hear when the flight will take place.

At 1:44 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 1:57 p.m. Dr. Sharps moved to approve the final draft of the contract with Consolidated Supply Company and the user agreement with Mueller Systems and authorize the General Manager to sign both documents. The motion was seconded by Ms. Cribbins and passed unanimously. There being no other business to come before the Board, Chair Solarz adjourned the meeting at 2:00 p.m.

Approved: _____, 2021

By: _____
Chair Greg Solarz

ATTEST: _____