

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

Minutes
Regular Board Meeting

March 5, 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 Chair Bill Richardson presiding. Other Board members present: Rob Kilmer, Greg Solarz and Carmen Matthews. Board Members absent: none. 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; Doyle Fish, Field Services Tech; and Stacey Parrott, Executive Assistant & HR Specialist. Board Legal Counsel Melissa Cribbins was present (virtually). Media present: None.

Chair Richardson opened the meeting at 7:00 a.m. and led the Board and assembly in the Pledge of Allegiance.

Chair Richardson asked if there were any corrections or additions to the February 12, 2026, Regular Board meeting minutes. Mr. Kilmer moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

Chair Richardson asked if there were any public comments and there were none.

Regarding the adoption of Resolution Number 420, entering into the updated Intergovernmental Agreement (IGA) with the City of North Bend for billing and collection services. General Manager, Ivan Thomas explained that the agreement updates several operational and financial elements that had been identified over time as needing revision in the existing agreement. Mr. Thomas noted that similar updates are being coordinated with the City of Coos Bay to ensure consistency in how the Water Board provides billing and collection services to both cities.

One of the primary changes in the new agreement relates to how costs are calculated. Previously, the agreement allowed for annual increases tied to the Municipal Cost Index (MCI). Through discussions with the cities, it was determined that a cost-recovery approach would be more transparent and equitable. Under the revised agreement, charges will be based on actual service costs associated with providing billing services, including staff labor, billing software, credit card processing fees, and other related administrative expenses. Another key addition to the agreement is the inclusion of indemnification provisions. Mr. Thomas explained that the prior agreement did not clearly address liability between the parties. The updated language ensures that if an error occurs on one side, the other party is protected from legal claims arising from that error. The provisions have been reviewed and approved by both the Water Board and the City Manager and legal teams.

Mr. Solarz asked about the financial impact of the updated agreement, Mr. Thomas indicated that the cost change for the City of North Bend would be minimal, estimated at approximately three to five hundred dollars per month compared to the current arrangement. It was noted that the financial adjustment for the City of Coos Bay would likely

be more substantial due to the larger volume of sewer billing revenue and associated credit card processing costs, although that agreement is still under review by the city.

Following a brief discussion, Mr. Solarz moved to adopt Resolution Number 420, entering into the updated Intergovernmental Agreement for billing and collection services with the City of North Bend. The motion was seconded by Mr. Matthews and passed unanimously.

Resolution Number 420 is set forth below:

RESOLUTION NO. 420

A RESOLUTION TO ADOPT AN INTERGOVERNMENTAL AGREEMENT FOR BILLING AND COLLECTION SERVICES BETWEEN THE CITY OF NORTH BEND AND THE COOS BAY – NORTH BEND WATER BOARD

WHEREAS, the Coos Bay – North Bend Water Board (hereinafter “Water Board”) is a joint instrumentality of the Cities of Coos Bay and North Bend, Oregon, organized and operated under the authority granted by the City Charters of Coos Bay and North Bend and ORS 225.050; and

WHEREAS, the Board of Directors of Water Board has the authority to adopt resolutions; and

WHEREAS, the City of North Bend (hereinafter “City”) and the Water Board previously entered into intergovernmental agreements in 2011, 2017, and 2018 for billing and collection services related to the City’s sewer service, storm water service, and the public safety fee; and

WHEREAS, the City and the Water Board now desire to enter into a new intergovernmental agreement for billing and collection services which supersedes prior agreements and establishes updated service levels, cost provisions, and related terms and conditions;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOS BAY – NORTH BEND WATER BOARD AS FOLLOWS:

1. The Intergovernmental Agreement for Billing and Collection Services between the City of North Bend and the Coos Bay – North Bend Water Board, identified as Exhibit “A”, attached hereto and incorporated herein by this reference, is hereby adopted by the Board of Directors of the Coos Bay – North Bend Water Board.
2. Board Chair, Bill Richardson, is hereby authorized to execute the Intergovernmental Agreement for Billing and Collection Services on behalf of the Water Board.
3. The Agreement shall become effective March 1, 2026, and shall supersede prior intergovernmental agreements between the parties concerning billing and collection services.

Adopted this _____ day of _____, 2026.

COOS BAY-NORTH BEND WATER BOARD

By: _____
Bill Richardson, Board Chair

Regarding the adoption of Resolution Number 421, authorizing the General Manager to enter into a legal services agreement with STAG LIUZZA, LLC; Thorp, Purdy, Jewett, Urness; & Wilkerson, P.C. and Innova Legal Advisors, P.C. in connection with the Aqueous Film-Forming Foam (AFFF) product liability multi-district litigation settlement involving per-per-polyfluoroalkyl substances (PFAS) in drinking water supplies across the United States. Mr. Thomas explained that approximately one to two years ago the Water Board received notice of a class settlement involving DuPont and 3M related to PFAS found in AFFF products. At the time, the Water Board had the option of opting out of the litigation, which would have excluded the Water Board from any future participation in settlement claims related to PFAS contamination.

The Water Board did not opt out and now qualifies to be part of the class settlement taking place for drinking water systems.

Mr. Thomas reported that limited testing had been conducted within the Water Board's water system to better understand potential PFAS presence. Testing included samples from the lake and several drinking water production wells located in the dunes. Most results showed no significant concerns; however, one well near a former mill property tested positive for PFAS compounds. Mr. Thomas noted that the testing completed so far was limited and did not represent comprehensive sampling across all sources or locations within the system. It was emphasized that, while the Water Board's contamination levels currently appear limited, there remain uncertainties, particularly regarding groundwater sources, as well as concerns related to long-term monitoring and protection of the Water Board's water resources, including the work undertaken to manage flows in the Tenmile Creek system.

Water Board staff and Legal Counsel met with representatives of the legal team to discuss the Water Board's potential participation. Under the proposed agreement, the attorneys would assist the Water Board in meeting the requirements necessary to participate in the settlement process, including coordination of additional testing and documentation. Mr. Thomas indicated that participation would require comprehensive sampling of the Water Board's water system and compliance with specific deadlines, with the first deadline occurring by the end of the month.

Settlement payments in the litigation are structured according to a tier system based largely on the size and water flow of participating utilities. Under the proposed legal services agreement, the attorneys would represent the Water Board on a contingency basis. Their compensation would be one-third of any settlement amount received by the Water Board. If no settlement funds are obtained, the Water Board would owe no attorney fees. Board Legal Counsel, Ms. Cribbins confirmed that this contingency structure, including the allocation of certain litigation costs from the settlement proceeds, is standard for litigation of this type. It was also clarified that testing required as part of the settlement would be covered through the litigation process.

Board members discussed the value of obtaining more comprehensive data regarding PFAS in the Water Board's water sources and ensuring that the Water Board fulfills its due diligence in protecting public drinking water. It was also noted that participation would allow a better understanding of potential impacts to groundwater and aquifer systems while positioning the Water Board to receive settlement funds should contamination impacts be identified.

Following discussion, Mr. Matthews moved to adopt Resolution Number 421, allowing the General Manager to enter into a legal services agreement with STAG LIUZZA, LLC; Thorp, Purdy, Jewett, Urness; & Wilkerson, P.C. and Innova Legal Advisors, P.C. for the Aqueous Film-Forming Foam in the AFFF Product Liability Multi-District Litigation Settlement. The motion was seconded by Mr. Kilmer and passed unanimously.

Resolution 421 is set forth below:

RESOLUTION NUMBER 421

**A RESOLUTION OF THE COOS BAY NORTH BEND WATER BOARD OF DIRECTORS AUTHORIZING
THE EXECUTION OF THE LEGAL SERVICES AGREEMENT RELATED TO THE AFFF PRODUCT
LIABILITY LITIGATION**

WHEREAS, the Coos Bay North Bend Water Board of Directors (the “Board”) is committed to delivering clean drinking water to its customers; and

WHEREAS, the Board is also committed to identifying parties responsible for increasing the costs of water treatment and system maintenance and taking reasonable steps to avoid passing on these costs to its consumers; and

WHEREAS, STAG LIUZZA, L.L.C., THORP, PURDY, JEWETT, URNESS & WILKINSON, P.C., and INNOVA LEGAL ADVISORS, P.C., have put together a team of uniquely qualified and experienced attorneys (“the Firm”) who have joined together to assist public entities facing the challenges posed by potential per- and polyfluoroalkyl substances (“PFAS”); and

WHEREAS, the Firm is comprised of experienced attorneys in both in PFAS litigation and in the representation of public entities and water suppliers in cases involving cost recovery related to remediation of water contamination; and

WHEREAS, the Board has determined it to be in the Water Board’s best interest to enter into the Legal Services Agreement with the Firm and pursue any settlement and other legal damage claims it may have related to PFAS in Aqueous Film-Forming Foams (AFFF) Litigation MDL No. 2873; and

WHEREAS, the Board desires to authorize the execution of the Legal Services Agreement attached as Exhibit “A”.

NOW THEREFORE BE IT RESOLVED by the Board that the General Manager of the Coos Bay North Bend Water Board is hereby authorized to execute the Legal Services Agreement with the Firm based upon the terms and conditions set forth herein and, in a manner, substantially similar to the Agreement attached hereto as Exhibit “A.”

Adopted this _____ day of _____, 2026.

COOS BAY-NORTH BEND WATER BOARD

By: _____
Bill Richardson, Board Chair

Regarding the proposed purchase of a new rotary brush-cutter attachment for the Water Board’s Skid-Steer, Operations Manager Jeff Miller reported it is an essential tool in assisting with vegetation management along roadways and Water Board properties. Maintaining clear access areas is important for operational access and fire prevention. Mr. Miller stated that the current Ambusher brush-cutter is aging, required frequent repairs, and replacement parts are increasingly difficult to obtain.

Staff evaluated replacement options and identified the Virnig V60 rotary brush-cutter as a suitable replacement. Quotes from three vendors were obtained as follows:

- Thorpe Machinery: \$15,995.00
- United Rentals: \$12,445.00
- Central Oregon Forklift & Equipment: \$18,965.00

The Water Board has allocated \$14,000 in the FY25/26 capital budget for this purchase. It was recommended purchasing the unit from United Rentals for \$12,445 as the lowest responsive quote.

After a brief discussion, Mr. Matthews moved to authorize the purchase of a 78" Virnig V60 rotary brush-cutter from United Rentals for \$12,445.00. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was scheduled for Thursday, March 19th, 2026, at 7:00 a.m.

Updates were given as follows:

- Water Transmission Main Tunnel Project – a substitution request was approved for the 36-inch steel pipe specified for the project. The contractor proposed using surplus pipeline pipe originally manufactured for the cancelled Keystone pipeline project, constructed of API 5LX70 high-strength steel and coated with fusion-bonded epoxy for improved corrosion resistance. It was determined that the substitute pipe would provide greater durability than the originally specified material. The pipe will be installed in approximately five, 40-foot sections that will be welded together during construction. The contractor has already begun site preparation work, and the pipe is expected to arrive soon so installation can proceed. The project will involve stages of slurry fill within the tunnel and install rollers to slide the pipe into place. Updates will be provided as the project progresses.

At 7:25 a.m. Chair Richardson directed they go into executive session for the purpose of discussing potential litigation pursuant to ORS 192.660(2)(h).

The Board returned to regular session at 8:08 a.m. and briefly recognized the General Manager's birthday. There being no other business to come before the Board, Chair Richardson adjourned the meeting at 8:22 a.m.

Approved: _____, 2026

By: _____
Bill Richardson, Chair

ATTEST: _____