

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

Minutes  
Regular Board Meeting

March 7, 2024  
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: Rob Kilmer, Bill Richardson and Carmen Matthews. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; Rick Abbott, Distribution Supervisor; Monica Kemper, Interim Finance Director; Aimee Hollis, Customer Relations Manager; Jason Mills, Distribution Specialist; Karen Parker, Administrative Assistant; and Vince Stonesifer, Field Services Technician (virtually). Melissa Cribbins, Board Legal Counsel was present. Media present: None.

Chair Solarz opened the meeting at 7:00 a.m. and asked Mr. Mills to lead the Board and assembly in the Pledge of Allegiance.

Chair Solarz asked if there were any corrections or additions to the February 1, 2024 Regular Board meeting minutes. Mr. Solarz noted the last paragraph on page 3 stating the “meeting adjourned at 7:56 a.m.” should be edited to state “adjourned at 7:25 a.m”. Mr. Kilmer moved the minutes be approved with the amendment noted. The motion was seconded by Mr. Solarz and passed unanimously.

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

Mr. Thomas recognized Mr. Abbott for his 30 years of service with the Water Board as he will be retiring on April 1, 2024. The Board thanked Mr. Abbott for his work and dedication.

Mr. Abbott presented staff’s request to surplus scrap metal and sell to the highest bidder. Mr. Abbott stated staff collects leftover scrap metal from finished jobs and meter exchanges. The scrap metal is separated into three different categories of brass, copper, and iron. For purposes of surplus, the leftover scrap and in stock substandard fittings will be weighed and sold together. Staff estimates there to be a combined total of 8,000 lbs. of brass, 400 lbs. of copper, and 8 tons of iron. In researching current metal prices, the estimated combined revenue from the sale will generate approximately \$16,600, that is \$14,000 for brass, \$1,200 for copper, and \$1,600 for iron respectively. Mr. Abbott stated depending on the item, staff will request bids from qualified buyers and some will be sold on the on-line auction site at GovDeals.com.

After a brief discussion, Mr. Matthews moved to declare the scrap items as surplus and authorize staff to advertise and sell them for the highest quote or bid. The motion was seconded by Mr. Richardson and passed unanimously.

Regarding the Nutwood Pump Station Upgrades, Distribution Specialist Jason Mills stated this pump station is located at the intersection of Nutwood Avenue and North 14<sup>th</sup> Street in Coos Bay and is a crucial pressure boosting station for approximately 30 water services. The pump station is facing challenges such as advanced rust and aging components, including the pump, motor control panel, and appurtenances.

To address these issues and enhance the overall safety, reliability, and efficiency of the pump station, staff is proposing a comprehensive improvement plan. The proposed solution involves replacing the existing pump and motor control panel. This upgrade is aimed at modernizing the infrastructure, ensuring a more dependable and efficient operation, and mitigating potential safety concerns associated with the current equipment.

Implementing these improvements will extend the longevity of the Nutwood Pump Station. It is essential to follow through with the proposed upgrades to address the identified issues and ensure the continued functionality of the pump station.

The Water Board has had positive experiences with Grundfos pumps in the past. Staff is recommending the use of a Grundfos pump for the Nutwood Pump Station. Staff solicited one quote from the regional distributor of Grundfos pumps, PumpTech Inc., for the required components, including the pump, motor control panel, and fabricated steel pump stand. Because PumpTech is the only regional distributor of Grundfos pumps, staff recommends making a sole source purchase through them.

The following is a breakdown of the estimated project costs:

1. Pump with fabricated stand and variable speed motor control panel:	\$11,880
2. Freight:	\$ 300
3. Electrician labor and equipment costs:	\$ 2,400
4. Board staff labor and mileage:	\$ 2,000
5. Additional appurtenances:	\$ 1,000
6. 10% Contingency:	\$ 1,758

Total Estimated Cost: \$19,338

This project is included in the current fiscal year's budget in the amount of \$17,600. Staff recommends making up this shortage with active capital funds.

Mr. Solarz inquired if there is a pressure tank at the site and asked if so what condition it is in. Mr. Mills stated there is a pressure tank and it isn't in excellent shape, but he plans on leaving it in service because there is not a generator on site and the compressed air in that large tank is a buffer for power failures. Even in a power failure customers would not lose all system pressure but would have reduced pressure. Ideally, it would be advantageous to have a generator at the site but it is underground and there is not a big enough footprint for an above ground generator. At this time staff will leave the underground tank in place but when it shows signs of failure we can put some smaller 30 gallon tanks in. The current tank is an 800-gallon tank. We are switching from a constant speed motor to a variable speed motor.

After a brief discussion, Mr. Matthews moved to authorize the purchase of the above-mentioned upgrades to the Nutwood Pump Station at a cost of \$19,350. The motion was seconded by Mr. Kilmer and passed unanimously.

Regarding the proposed Fiscal Year 2024 Water Main Replacement Bundle, Engineering Manager Matt Whitty stated the FY2024 budget includes three water main projects proposed for contractor installation as follows:

<u>Description (existing)</u>	<u>Length</u>	<u>Pipe Size</u>	<u>Pipe Type</u>	<u>Estimated Cost</u>
Garfield Ave (4-inch AC)	1,000'	6 or 8-inch	PVC or DI	\$231,000
Meade Ave (2-inch GI)	460'	2-inch	PVC	\$ 77,000
Meade Ave (6-inch CI)	1,150'	8-inch	DI	<u>\$349,800</u>
Total Estimated Cost				\$657,800

Staff proposes in-house preparation of design plans, specifications and bidding documents. After completion of the design and bidding documents, staff would solicit bids for the project and return to the Board for award of the successful bidder.

Mr. Solarz asked if ductile iron pipe is being used because of heavy traffic. Mr. Whitty stated ductile iron is a longer lasting pipe and it will be going across the highway. After a brief discussion, Mr. Kilmer moved to authorize staff to prepare design and bidding documents and solicit bids for FY2024 Water Main Replacement Bundle. The motion was seconded by Mr. Matthews and passed unanimously.

Regarding the proposed Print and Mail Contract with Springbrook, Customer Relations Manager Aimee Hollis stated staff are currently in the process of updating the operating and billing system to the Springbrook Cloud based operating system and have currently learned our mailing process with the post cards is a custom order for them which means it is not something they do in house at all. This custom order would incur costs based on time and materials to move this process to the Cloud. Springbrook has requested that we move forward with the full sheet billings at this time. Staff had planned to begin this process in FY2025.

The primary reasons for the full sheet bills are customer privacy and for providing detailed account history. The new billing format will have a graph showing the previous 12 months' usage in cubic feet and the previous months read. The Water Board's Data Processing division will be preparing the billings as we do now, however, allowing Springbrook to print, cut, and mail, our monthly and past due bills will be a significant time savings. We estimate the time savings to be an hour and a half per billing cycle. We will no longer need to purchase and store the billing card stock, supplies, and envelopes associated with our current process as well. This would also meet our goal that was set out in the Water Management & Conservation Plan in 2017.

The fee to set up our new billing statement is a one-time fee of \$660.00. A per print job charge will be assessed monthly based on total bills printed in a month. The price includes duplex, colored invoice, folded, inserted, and mailed. Print services and transaction fees will bill monthly, in arrears for services in the prior month. Below is a description of the cost of the change to full size billing.

- Billing Cost Analysis – FY 2024 - Current billing cost for billing post cards and mailing past due bills in full size envelopes. Total billing costs - \$84,596.31.
- Billing Cost Analysis – FY 2025 – Current estimated billing cost for a full size paper bill indicates the cost to print full sheet bills on site. Total estimated billing cost - \$137,865.72.
- Proposed Billing Cost with Springbrook – Full sheet billing, including duplex color, invoice, folded, inserted, and mailed completed by Springbrook. Total estimated cost - \$129,345.29.

Having Springbrook print and mail our new full sheet billings rather than doing the work in house would save the Water Board \$8,520.43 in FY 2025. Data Processing duties will change slightly; the Utility Billing Leader will continue to prepare all the bills, do quality control checks, and once accuracy is confirmed the files will then be submitted to Springbrook. Although the project was not planned to be budgeted until FY 2025, the status of our upgrade to Springbrook Cloud based services justifies this would be the opportune time to move forward with the project.

The cost for this project is estimated to be approximately \$12,000 in excess of the FY2024 budget. The Water Board has adequate reserve funding to fund the project for the rest of FY 2024.

Mr. Thomas commented this would also save the utility possible capital purchases for equipment that we do not have such as envelope stuffers, mail folders, and special printers. Ms. Hollis stated the utility would also save costs on paper and ink, and free up the Utility Billing Leader about 1.5 hours 3 days a week. Having a full sheet billing will also allow staff to have more space on the bill to add additional information when needed. The full sheet bill will also give all customers more information on their water consumption on a regular basis.

Mr. Kilmer commented the Water Board bills fees for the cities and asked if listing these fees on the full sheet bill would increase the cost, and if so should the Water Board pass the charge on to the cities. Ms. Hollis stated it would not increase the cost if there is ample space on the sheet, as Springbrook charges by the number of bills. However, if we cannot fit information from the cities on the bill it would have to be put in an insert which would cost 10 cents per sheet. Mr. Thomas commented the Cities pay the Water Board back on a regular basis. Staff plans on doing a billing study in the near future. Over the past years the increase to the cities has been based on the CPI. Staff needs to do a breakdown and see what the actual cost of billing is as the utility has changed so much in its handling of payments.

Mr. Solarz questioned if the total billing cost analysis for FY2024 in the amount of \$84,596.31 is accurate. Mr. Thomas stated this figure was based on 1 ½ hours of staff time for one person three times a week, their salary/benefits, mailing cost of 36 cents per post card (approximately 13,000 a year), and the printing cost. Mr. Solarz commented that this equates to approximately 55 cents per month per customer. Mr. Solarz stated it may not cost an additional \$30,000 per year. Mr. Thomas stated this is a conservative estimate on both ends and staff will be getting deeper into budgeting within the next few weeks.

After a brief discussion, Mr. Kilmer moved to authorize the General Manager to execute the proposed print and mail contract with Springbrook. The motion was seconded by Mr. Matthews and passed unanimously.

The Board's next regular meeting was set for Thursday, March 21, 2024, at 7:00 a.m.

Updates were given as follows:

- Cathodic Protection for Isthmus and South Slough – There are two large diameter transmission mains, one going across the South Slough and the other crossing the Isthmus slough. Both pipes are ductile iron and need cathodic protection to preserve their longevity. The systems are worn out and need to be replaced. Dyer Partnership has completed the design and bidding package, and bids will be solicited soon. Our in-water work period for this project is October. Bids will be brought to the Board for consideration in early to mid-summer.
- Asterra Satellite Imaging – Asterra Satellite leak detection service took a picture of our system and gave us 153 points of interest that may be leaks according to their equipment. We have looked at 45 points of interest so far and identified 5 leaks, most are copper service leaks, one is a 2-inch galvanized pipe. We are going to spot check some of the other points with the Gutterman water correlator and see if we can find something that couldn't be found. The identified leaks have been repaired.

- Installation of High Service Pump Drives at Water Treatment Plant – In 2019 we had one of the main high service pumps (Pump No. 2) replaced. It was less than 20 years old, and CIS paid to have it replaced as they said it was still within its' life expectancy. Last fall we had issues at the plant-when we were replacing pump 1 because it failed, the same day the VFD No. 4 failed. Two new high service pump drives were ordered and they were installed three weeks ago. Now all four pump drives are up and working.

At 7:35 a.m. Chair Solarz directed they go into executive session for the purposes of discussing potential litigation pursuant to ORS 192.660(2)(h) and personnel issues pursuant to ORS 192.660(2)(a).

The Board returned to open session at 8:23 a.m. There being no other business to come before the Board, Chair Solarz adjourned the meeting at 8:23 a.m.

Approved: \_\_\_\_\_, 2024

By: \_\_\_\_\_  
J. Gregory Solarz, Chair