

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

Minutes  
Regular Board Meeting

7:00 a.m.  
May 5, 2016

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Chair Cribbins presiding. Other Board members present: Richard Vigue, Greg Solarz and Dr. Charles Sharps. Board members absent: None. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Supervisor; Jim Kaylor, Water Treatment Supervisor; Jeff Howes, Finance Director; Bryan Tichota, Customer Relations Supervisor; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Media present: None. Chair Cribbins opened the meeting at 7:00 a.m.

Chair Cribbins asked if there were any corrections or additions to the April 7, 2016 Regular Board meeting minutes. Dr. Sharps moved the minutes be approved as written. The motion was seconded by Mr. Vigue and passed unanimously.

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

Mr. Thomas advised the Board of proposals received from Nasburg Huggins Insurance Agency, Inc. for workers' compensation and property/liability insurance premiums for Fiscal Year 2016-17. Nasburg Huggins Insurance is the utility's current provider for both workers' compensation and property/liability insurance.

Workers' compensation insurance services are provided through SAIF Corporation. The premium for workers' compensation in FY2015 will close at \$36,593. The proposal for FY2016-17 shows an increase of \$3,988, for a total estimate of \$40,581. The price increase is in relation to the utility's experience modification rate for workers' compensation.

Property and liability insurance for the utility is provided through City County Insurance Services (CIS). The current premium for FY2015 will close at \$117,385.32. The proposal for FY2016-17 shows an increase of \$6,032.46 for a total estimate of \$123,417.78.

Both workers' compensation and property/liability insurance services for FY2016-17 will be effective July 1, 2016, and premiums will be budgeted accordingly in the utility's FY2016-17 budget. After a brief discussion, Mr. Vigue moved to authorize the General Manger to sign the SAIF Workers' Compensation proposal and the CIS Property and Liability proposal to secure these insurance service renewals for the FY2016-2017. The motion was seconded by Mr. Solarz and passed unanimously.

Mr. Thomas advised the Board in January of 2016, the State of Oregon legislature adopted Senate Bill 454 directing the administration of paid sick leave. The new law shapes new rules and

regulations pertaining to use, accrual and administration of paid sick leave. To comply with Senate Bill 454, staff recommends adoption of proposed Resolution No. 344, adopting a revision to the Coos Bay-North Bend Water Board Personnel Policies and Procedures Manual, Sick Leave Policy. After a brief discussion, Dr. Sharps moved to adopt Resolution No. 344 as proposed. The motion was seconded by Mr. Solarz and passed unanimously. The resolution read as follows:

**RESOLUTION NO. 344**  
**A RESOLUTION ADOPTING A REVISION TO THE COOS BAY – NORTH BEND WATER BOARD**  
**PERSONNEL POLICIES AND PROCEDURES MANUAL SICK LEAVE POLICY**

**RECITALS**

1. **WHEREAS**, the Legislature for the State of Oregon has adopted Senate Bill 454, effective January 1, 2016, providing for paid sick leave; and
2. **WHEREAS**, in light of the adoption of Senate Bill 454, the Coos Bay – North Bend Water Board, (the “Water Board”) has undertaken a review of its current Personnel Policies and Procedures Manual, relating to sick leave, specifically Section V., Subsection C. Sick Leave, and now wishes to make certain modifications and revisions to the Water Board’s sick leave policy, and to set forth those revised procedures in the Water Board’s Personnel Policies and Procedures Manual.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. The above recitals are true and accurate and are incorporated herein by this reference.
2. The Coos Bay – North Bend Water Board Personnel Policies and Procedures Manual, Section V. Time Off; Subsection C. Sick Leave; subsections 2-4, is hereby revised and amended as identified as Exhibit “A”, attached hereto and incorporated herein by this reference, and is hereby adopted as the revised sick leave utilization policy for the Water Board.
3. It is the policy of the Board of the Water Board that the Personnel Policies and Procedures Manual is to be considered a document which is to be continually updated, to keep current with changes made to Oregon law and to provide a coherent framework for teamwork and success oriented attitudes of Water Board Employees.

**EXHIBIT “A”**  
**RESOLUTION NO. 344**

The Water Board’s Personnel Policies and Procedures Manual, Section V. Time Off, Sub-Section C. Sick Leave, Paragraph 2, Eligibility and Paragraph 3, Accrual are revised as shown herein and Paragraph 4, Utilization subsections 4.a. to 4.g. are deleted and replaced as follows:

Paragraph 2. Eligibility – All regular full-time employees shall be entitled to accrue sick time immediately upon employment with the Water Board.

Paragraph 3. Accrual – A regular full-time employee shall accrue sick time at the rate of eight (8) hours per month. Sick time may be accrued without limit.

Paragraph 4. An employee may use accrued paid leave-sick time and/or vacation leave when unable to perform the duties of his/her employment by reason of:

- a. Mental or physical illness, including, but not limited to, need for diagnosis or need for preventative medical care;
- b. Injury, including, but not limited to, need for diagnosis or need for preventative medical care;
- c. Health condition, including, but not limited to, need for diagnosis or need for preventative medical care;
- d. Need for medical diagnosis;
- e. Care or treatment of a mental or physical illness, injury or health condition;
- f. Need for preventative medical care;
- g. Dental care, including diagnosis and treatment;
- h. For care of a family member of the employee, defined as: the spouse or same sex domestic partner, the biological, adoptive or foster parent or child of the employee, the grandparent or grandchild of the employee, the parent-in-law of the employee or a person whom the employee was or is in a relationship of in loco parentis, who has a condition listed in a - g above;
- i. Notwithstanding ORS 659A.153, for any other purpose specified in ORS 659A.159, including:
  - (1) to care for an infant or newly adopted child under 18 years of age;
  - (2) to care for a newly placed foster child under 18 years of age, or to care for an adopted or foster child older than 18 years of age if the child is incapable of self-care because of a mental or physical disability;
  - (3) to care for a family member with a serious health condition;
  - (4) to recover from or seek treatment for a serious health condition of the employee that renders the employee unable to perform at least one of the essential functions of the employee's regular position;
  - (5) to care for a child of the employee who is suffering from an illness, injury or condition that is not a serious health condition but requires home care;
  - (6) to deal with the death of a family member for the purposes provided by ORS 659A.159;
- j. Notwithstanding ORS 659A.270 (1), for any purpose defined in ORS 659A.272, including:
  - (1) to seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee or the employee's minor child or dependent, including preparing for and participating in protective order proceedings or other civil or criminal legal proceedings related to domestic violence, harassment, sexual assault or stalking;
  - (2) to seek medical treatment for or to recover from injuries caused by domestic violence or sexual assault to or harassment or stalking of the eligible employee or the employee's minor child or dependent;

(3) to obtain, or to assist a minor child or dependent in obtaining counseling from a licensed mental health professional related to an experience of domestic violence, harassment, sexual assault or stalking;

(4) to obtain services from a victim services provider for the eligible employee or the employee's minor child or dependent;

(5) to relocate or take steps to secure an existing home to ensure the health and safety of the eligible employee or the employee's minor child or dependent.

k. In the event of a public health emergency as defined in Section 6 (6) of Senate Bill 454.

l. An employee may donate accrued sick time to another employee if the other employee uses the donated sick time for a purpose specified in paragraphs a.-j., above.

#### Conditions on Use of Paid Sick Time.

1. Absence to care for an ill family member shall be limited to the time the employee's presence is actually required. Verification of required care for an ill family member may be required by the employee upon request from the Water Board per sections 9 – 13 of the conditions on use of paid sick time in this policy.

2. When the absence of an employee is required for the birth of the employee's child and/or to assist in the household when the child and mother return home, paid sick time shall be utilized. Use of leave is defined by the Oregon Family Leave Act and Water Board Family Medical Leave Policy. If accrued sick time is exhausted, the employee will use additional accumulated vacation and compensatory leave before utilizing unpaid leave.

3. When the absence of an employee is required due to the death of an employee's immediate family member as defined by the Oregon Family Leave Act, as defined above, or the death of a relative residing in the employee's household immediately prior to death, use of sick leave is limited to a total of two weeks of compensated leave per occurrence. If accrued sick time is exhausted, the employee will use additional accumulated vacation and compensatory leave before electing to take unpaid leave.

4. Utilization of accrued paid leave will, when applicable, be counted against an employee's family leave entitlement under State and Federal Family Leave Law and the Water Board's Family Medical Leave Policy. Employees will be required to use unpaid leave only when all paid leave is exhausted.

5. Paid sick time shall be compensated at the regular rate of pay and without reduction in benefits, including but not limited to health care benefits that the employee earns from the Water Board at the time the employee uses paid sick time.

6. The Board will restore previously accrued unused and unpaid sick time to an employee who is reemployed by the Board within 180 days of separation from employment with the Board.

7. The Board shall allow an employee to use accrued sick time available upon the written request of the employee, or by using the Board's established call-in procedures. If possible, the employee shall include the anticipated duration of the sick time requested in the written request for sick time.

8. Accrued sick time earned by an employee shall be taken in hourly increments, to the maximum accumulation of the employee's unused hours of sick time.

9. An employee who needs to use sick time shall comply with the Water Board's usual and customary notice and procedural requirements for requesting use of sick time off. If the need to use sick time is foreseeable:

(a) The employee shall give not less than 10 days' advance notice to Water Board of the need to use sick time prior to the date sick time is to begin, or as soon as otherwise practicable;

(b) The employee shall make a reasonable attempt to schedule the use of sick time in a manner that does not unduly disrupt the operations of the Water Board.

If the need to use sick time is unforeseeable, the employee shall provide notice to the Water Board as soon as possible, and shall also comply generally with the Water Board's notice of procedural requirements for requesting time off if those requirements do not interfere with the ability of the employee to use sick time.

10. If an employee takes more than three (3) consecutive scheduled workdays of sick time for a purpose described herein the Water Board may require the employee to provide verification from a health care provider of the need for sick time, or provide certification of the need for leave for purposes of ORS 659A.272 as provided in ORS 659A.280.

11. If the need for sick time is foreseeable and is projected to last more than three (3) scheduled work days, the employee shall provide notice as provided in paragraph 9, above. The Water Board may require that verification or certification be provided before the sick time commences or as soon as otherwise practicable.

12. If an employee commences sick time without providing prior notice to the Water Board as required herein, medical verification or certification shall be provided by the employee to the Water Board within 15 calendar days after the Water Board requests such verification or certification as specified in ORS 659A.280. Verification or certification shall be provided to the Water Board within a reasonable time after the employee receives the request for verification or certification from the Water Board. The Water Board does not require that a certification required under this paragraph explain the nature of the illness or details related to the domestic violence, sexual assault, harassment or stalking that necessitates the use of sick time and the certification is not required to contain any such detail.

13. The Water Board will pay any reasonable costs for providing medical verification or certification as required herein, including lost wages that are not paid under a health benefit plan in which the employee is enrolled.

14. The Water Board shall provide written notification at least quarterly to each employee of the amount of accrued and used sick time available for use by the employee. Inclusion of the amount of accrued and used sick time on the statement required under ORS 652.610 meets the written notification requirement contained in this paragraph.

15. If the Water Board suspects that an employee is abusing sick time, including engaging in a pattern of abuse, the Water Board may require verification from a health care provider of the need of the employee to use sick time, regardless of whether the employee has used sick time for more than three consecutive days. As used in this paragraph, "pattern of abuse" includes, but is not limited to, repeated use of unscheduled sick time on or adjacent to weekends, holidays, vacation days or paydays.

Engineering Manager Matt Whitty stated staff solicited Request for Proposals from seven qualified consulting firms for the geotechnical and seismic evaluation of Merritt Dam utilizing the quality based selection process. The seven firms were as follows:

- Cornforth Consultants, Inc.
- HDR, Inc.
- CH2M
- AECOME (formerly URS)
- Genterra
- MGH Global
- GeoEngineers

Two proposals were received: Cornforth Consultants, Inc. and CH2M. Mr. Whitty asked for the Board’s input on composition of a selection committee. After a brief discussion, Mr. Solarz was selected and agreed to serve on the selection committee.

Regarding proposed Everest Road Main Replacement, Mr. Whitty stated Everest Road has seven service connections, all of which were installed in the 1970’s, with residual pressure below the minimum 20 psi threshold. An inspection performed by Oregon Health Authority resulted in their recommendation of increasing pressure to these services. Staff has completed design of the new water main, consisting of 310 feet of 4-inch diameter water main and 200 feet of 2-inch diameter water main. The estimated cost of installation for the water mains is \$42,900. This project is included in the current fiscal year’s budget in the amount of \$35,100.

Staff is currently completing an in-house design for the Everest pump station. Mr. Whitty said the current fiscal year’s budget includes the amount of \$91,300 for this project which was based on previous costs for a package pump station installed at Millington and included a variable frequency drive to control the pump. The current design will utilize a small pressure tank rather than a variable frequency drive, and will cost significantly less to install. Staff proposes to install the new water mains now in preparation for installation of the pump station once approved by Oregon Health Authority. Installation of the new pump station will carry over into FY2016-2017. After a brief discussion, Dr. Sharps moved to authorize staff to install the new water mains in Everest Road at an estimated cost of \$42,900. The motion was seconded by Mr. Vigue and passed unanimously.

Mr. Thomas explained the need for a replacement split case pump and motor at Flanagan Pump Station located on Flanagan Road in Bunker Hill. One of the two existing pumps has an exceptionally worn shaft causing excessive packing leakage. The existing pumps are from the 1950’s are past their life in terms of efficiency and reliability. Staff feels the pump replacement is urgent. Flanagan Pump Station serves approximately 500 residences in the Bay Park and Millington areas.

Distribution Technician Jason Mills solicited quotes from three vendors as follows:

Vendor	Quote (Pump and Motor)
McDiarmid Controls	\$7,189.97
PumpTech	\$7,244.84
Cornell Pump	No quote

Staff recommends the proposed purchase of a pump and motor from McDiarmid Controls, who provided the low quote. Installation and labor would be performed by the utility’s crew, adding an additional cost of \$1,200. This is an unbudgeted project. Mr. Thomas said funds are available in unrestricted capital reserves, which currently has a balance of \$90,000. Mr. Vigue asked how

long the outage would be for customers. Mr. Whitty stated most likely 4 to 8 hours. Motion was made by Mr. Solarz awarding purchase of a replacement split case pump and motor from McDiarmid Controls for the Flanagan Pump Station in the amount of \$7,189.97 and authorizing installation of the pump and motor by the utility's crew. The motion was seconded by Dr. Sharps and passed unanimously.

Mr. Thomas updated the Board regarding the Customer Service survey stating staff received a good number of responses and the final count will be provided at a future Board meeting. Customers' responses indicate they want different payment options.

Engineering Manager Matt Whitty gave a brief update on the Upper Reservoir Gate Relocation stating the estimated cost of this project is \$8,400. He commented this project is eligible for a \$5,000 grant from City County Insurance Services as it relates to liability/safety. In order to qualify for this grant the project needs to be completed by the end of May.

Mr. Thomas commented while in the process of budgeting, it came to his attention the utility's capital threshold is currently \$500. This requires staff to track items with a minimum value of \$500. Mr. Thomas stated in reviewing the Water Board's prior audits (2008, 2009 and 2010) he noted the auditors recommended the utility raise its' capitalization threshold from \$500 to \$5,000, which is the lowest threshold recommended by the Government Finance Officers Association (GFOA). If this was done, staff would still be able to track items such as meters because of the lifespan. Capitalization means \$5,000 or a lifespan of 10 years based on GOFA. Mr. Thomas asked for the Board member's input. It was the Board's consensus to raise the capitalization threshold to \$5,000.

Matt Whitty gave an update on the Jordan Cove/LNG Transpacific Parkway Water Main. A section of the 12-inch transmission main is within the construction zone and they are proposing to reroute it down TransPacific Parkway, currently it runs along the frontage road. A permit is needed from the U. S. Forest Service which Jordan Cove prepared for submittal. Mr. Whitty said he is doing a final review of the permit.

The first Budget Committee meeting is scheduled for June 2, 2016 at noon. Staff is in the process of confirming members for participation on the Budget Committee.

The Board's next regular meeting was set for Thursday, May 19, 2016, at 7:00 a.m.

At 8:08 a.m. Chair Cribbins directed they go into executive session for the purposes of discussing personnel issues pursuant to ORS 192.660(2)(a) and labor negotiations pursuant to ORS 192.660(2)(d). They returned to open session at 9:40 a.m. There being no other business to come before the Board, Chair Cribbins adjourned the meeting at 9:40 a.m.

Approved: \_\_\_\_\_, 2016

By: \_\_\_\_\_  
Chair Melissa Cribbins