

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.
November 19, 2015

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Vice-Chair Vigue presiding. Other Board members present: Dr. Charles Sharps, and Greg Solarz. Board members absent: Melissa Cribbins. Water Board staff present: Rob K. Schab, General Manager; Ron Hoffine, Operations Director; Matt Whitty, Engineering Supervisor; Rick Abbott, Distribution Supervisor; Bryan Tichota, Customer Relations Supervisor; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Joe Colo of Hough, MacAdam, Wartnik, Fisher, Gorman, LLC was present. Media present: None. Vice-Chair Vigue opened the meeting at 7:00 a.m.

Vice-Chair Vigue asked if there were any corrections or additions to the November 5, 2015 Regular Board meeting minutes. Dr. Sharps moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

Vice-Chair Vigue asked if there were any public comments, and there were none.

Joe Colo of Hough, MacAdam, Wartnik, Fisher & Gorman, LLC, was present to review the contents of the completed financial audit of the Board's accounting system for the fiscal year ended June 30, 2015. Mr. Colo said the utility's accounting systems are adequate and the accounting records are properly maintained. The internal controls for the Board are operating as designed and regulations are being complied with. The utility has a good system of checks and balances. Mr. Colo reviewed the Schedule of Operating Revenues – Budget to Actual and the Statement of Net Position. He stated the utility is in very good financial position and complimented the Board and staff on their planning and leadership.

At 7:25 a.m. Mr. Solarz asked for a brief recess to enable the appointed audit committee, consisting of Mr. Vigue and Dr. Sharps, to meet privately with Joe Colo to go over the annual financial audit. At 7:35 a.m. the Board reconvened to open session. Mr. Vigue stated the audit committee discussed the utility's procedures with Mr. Colo. Mr. Vigue added staff is on track, no changes or addendums are recommended, and complimented the Finance section on a job well done. Mr. Solarz moved they accept the annual financial audit as presented. The motion was seconded by Dr. Sharps and passed unanimously.

The Board's next regular meeting was set for Thursday, December 10, 2015, at 7:00 a.m.

Regarding the South Empire Boulevard Waterline Relocation Project, Mr. Hoffine addressed questions the Board members had at the previous Board meeting on a change order item in the amount of \$5,600. Mr. Hoffine stated this was related to an existing AC sewer force main at Michigan Avenue and S. Empire Blvd. The water main crossed just over the force main, though the force main was shown to be much deeper on the plans. Mr. Hoffine said when a new water main crosses within 18-inches over a sewer line, it is the contractor's obligation under Oregon Administrative Rules to either change the grade of one or the other or to inspect the sewer line to ensure it is competent. If it is not competent, a section of the sewer line must be replaced with new pipe. When inspecting the

sewer line, our inspector found the sewer line had cracked at the crossing. The change order item was replacement of this section of sewer line with new ductile iron pipe.

At 7:55 a.m. Vice-Chair Vigue directed they go into executive session for the purpose of discussing exempt public records pursuant to ORS 192.660(2)(f). They returned to open session at 9:10 a.m. There being no other business to come before the Board, Vice-Chair Vigue adjourned the meeting at 9:10 a.m.

Approved: _____, 2015

By: _____
Vice-Chair Richard Vigue

ATTEST: _____