

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

Minutes
Regular Board Meeting

October 6, 2017
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 Sharps presiding. Other Board members present: Melissa Cribbins and Greg Solarz. Board members absent: Bob Dillard. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; Jeff Howes, Finance Director; Bryan Tichota, Customer Relations Supervisor; Jerre Cover, Water Treatment Supervisor; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Media present: None. Chair Sharps opened the meeting at 7:00 a.m. and asked Mr. Solarz to lead the Board and assembly in the Pledge of Allegiance.

Chair Sharps asked if there were any corrections or additions to the September 7, 2017 Regular Board meeting minutes. Ms. Cribbins moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

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

Regarding proposed Resolution No. 355 Deeming Emergency for Repair Work at certain Water Distribution Storage Reservoirs, Mr. Thomas stated the Board previously entered into a sole source contract with Utility Services Company, LLC, also known as SUEZ, for repair of seven water distribution storage reservoirs. SUEZ began work on the Brights Mill, Libby and Bay Park storage reservoirs.

As work progressed and tanks were drained to conduct the repair work, a better inspection of the internal roof beams was conducted on these three water storage reservoirs. The results of the closer inspection found that many of the roof beams needed to be repaired or replaced in whole. This work was not included in the initial estimate from SUEZ. The price estimates are as follows:

- Brights Mill Reservoir - \$9,850
- Libby Reservoir - \$9,485
- Bay Park Reservoir - \$9,995.00

Mr. Thomas stated while SUEZ crews are currently working on the reservoirs and the Water Board is incurring increasing daily costs for temporary water services from Rain-for-Rent, he declared the emergency repair of the roof beams for each of the reservoirs. This allows SUEZ to complete the repairs and recoating of the three reservoirs before winter.

Staff is requesting that the Board of Directors adopt Resolution No. 355 for approval of the emergency procurement for the needed repair and replacement of roof beams at Brights Mill, Libby, and Bay Park reservoirs. After a brief discussion, motion was made by Ms. Cribbins to adopt proposed Resolution No. 355 as proposed. The motion was seconded by Mr. Solarz and passed unanimously. The resolution read as follows:

RESOLUTION NO. 355

RESOLUTION OF THE BOARD OF DIRECTORS OF COOS BAY-NORTH BEND WATER BOARD, ACTING IN ITS CAPACITY AS ITS OWN LOCAL CONTRACT REVIEW BOARD, DECLARING AN EMERGENCY AND EXEMPTING EMERGENCY REPAIRS ON THE BRIGHTS MILL RESERVOIR TANK, THE LIBBY RESERVOIR TANK AND THE BAY PARK RESERVOIR TANK FROM COMPETITIVE BIDDING AND, FURTHER, AUTHORIZE THE EMERGENCY PROCUREMENT FOR NEEDED REPAIRS AT THE BRIGHTS MILL, LIBBY AND BAY PARK RESERVOIR TANKS

WHEREAS, the Board of Directors of the Coos Bay-North Bend Water Board (hereinafter Water Board), pursuant to ORS 279A.060 is the local contract review board (hereinafter LCRB) for the Coos Bay - North Bend Water Board; and

WHEREAS, the LCRB has adopted Permanent Public Contracting Rules and Rules of Procedure for Public Contracting for the Coos Bay – North Bend Water Board pursuant to Resolution 287, adopted April 7, 2005; and

WHEREAS, the LCRB has authority under ORS 279B.080 and ORS 279C.320 and Section 4.6 of its local public contracting rules to declare the existence of an emergency and authorize entry into an emergency procurement; and

WHEREAS LCRB Rule 4.6.3 (A) states the General Manager or his/her designee may declare the existence of an emergency and authorize Water Board to enter into an emergency procurement where the estimated contract price is less than \$100,000; and

WHEREAS, LCRB Rule 4.6.3 (C) provides that following the declaration of emergency, the General Manager, or his/her designee, shall immediately prepare a Resolution for approval of the emergency procurement contract by the Board of Directors for the Water Board at its next regularly scheduled session, or as soon as practical; and

WHEREAS, In making the findings required by ORS 279.015 (b) the LCRB may consider the type, cost, amount of the contract, number of entities available to bid and such other factors as may be deemed appropriate; and

WHEREAS, the Board of Directors of the Coos Bay – North Bend Water Board, acting in its capacity as the Water Board LCRB has determined that emergency circumstances exist which require the Water Board to procure the needed repairs at Brights Mill, Libby, and Bay Park Reservoirs.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The recitals above are true and accurate and are incorporated herein by this reference.
2. The findings supporting the declaration of an emergency for the repairs to the Brights Mill, Libby and Bay Park Reservoir tanks are as follows:
 - a. Utility Service Co., Inc., dba SUEZ, has previously been hired by the Water Board to make repairs to the reservoir tanks at the Brights Mill, Libby and Bay Park Reservoirs;
 - b. SUEZ began to make repairs to the tanks at the locations noted and as part of the work to be performed, SUEZ performed blasting on the roof beams at these tanks. After doing some initial blasting of the roof beams and making a closer inspection of the roof beams, SUEZ determined that a majority of the roof beams at these tanks needed to be replaced and that some of the rafters at the above named tanks needed to be repaired.
 - c. The needed replacement of roof beams and rafter repairs was not a part of the original contract with SUEZ because an inspection of the roof beams and rafters was not fully possible due to the tanks being full of water and the inside of the tanks being coated with coal liner. Therefore, the repair and replacement of the roof beams and rafters was not included in the original contract with SUEZ.
 - d. The replacement of the roof beams and rafter repairs need to be completed before SUEZ can perform the repairs to the reservoirs that were included in the original contact with SUEZ.
 - e. The reservoir repairs included in the original contract with SUEZ requires the Water Board to use two temporary water tanks to provide water for Water Board customers and the cost of the temporary tanks is about \$250.00 per day. Therefore, the roof beam and rafter repairs need to be made as rapidly as possible to avoid further use of the temporary tanks;
 - f. SUEZ is currently on-site, and by using SUEZ to perform the roof beam and rafter repairs the Water Board avoids paying mobilization charges for a contractor to make these repairs. Further, SUEZ is using their own structural engineers to approve the repair methods, so the Water Board also avoids additional engineering costs.
 - g. SUEZ is fully capable of performing the needed emergency repairs.
3. Exhibit A, attached hereto and incorporated herein by this reference, document the nature of the repairs required at the Brights Mill, Libby and Bay Park Reservoirs and the cost for those repairs.
4. Based on the above findings and the content of Exhibit "A" the LCRB hereby declares an emergency and exempts the contracts for the emergency repairs to the Brights Mill, Libby and Bay Park Reservoirs from the competitive bidding requirements of ORS Chapters 279B and 279C. Further, the LCRB authorizes SUEZ to perform the emergency work on the Brights Mill, Libby, and Bay Park Reservoirs as described in their proposals identified as Exhibit A.
5. The LCRB finds that the requirements of ORS 279C.305, ORS 279C.310 and ORS 279C.320, as well as the requirements of LCRB Rule 4.6 have been satisfied.

Finance Director Jeff Howes presented staff's request regarding renewal of the Pacific Source group dental insurance policy covering all Water Board employees. The utility has contracted with Pacific Source for dental insurance coverage since December 1, 2009 to present. Pacific Source has submitted their proposal for the period of December 1, 2017 through November 30, 2018 in the amount of \$44,729. This amount reflects a 7.72% decrease from last year's contract amount of \$48,473. Motion was made by Ms. Cribbins authorizing the General Manager to renew the Pacific Source dental insurance policy as proposed. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding banking signature updates, Finance Director Jeff Howes presented proposed Resolution No. 356, Banking Signature Authorizations, stating this was required by Umpqua Bank in order to remove a former Board Member from accounts and to add a new Board Member, Bob Dillard. In addition, updated signature letters are needed for the Local Government Investment Pool, Banner Bank and Umpqua Bank. After a brief discussion, Ms. Cribbins moved to adopt Resoluton No. 356 modifying Banking Signature Authorizations and further authorize the Board Chair to sign correspondence which authorizes individuals to initiate bank account information changes for the Local Government Investment Pool and financing activities at Umpqua Bank and Banner Bank. The Motion was seconded by Mr. Solarz and passed unanimously. The resolution read as follows:

Resolution No. 356

BANKING SIGNATURE AUTHORIZATIONS

WHEREAS, the Coos Bay-North Bend Water Board (hereinafter "Water Board"), requires banking services to efficiently carry out its collection and payment functions; and

WHEREAS, the Water Board issued a request for proposals for banking services in January 1998 and subsequently accepted the proposal of Security Bank at its February 26, 1998, regular Board meeting; and

WHEREAS, the Cities appoint new members to the Board at various times;

WHEREAS, the Water Board deems it necessary to authorize Board Members to sign banking checks;

WHEREAS, Umpqua Bank (formerly Security Bank) requires a Corporate Authorization Resolution;

NOW, THEREFORE, BE IT RESOLVED that the Water Board authorize Robert J. Dillard to sign all documents pertaining to authorized changes in its bank checks, sign on payroll and petty cash accounts, and have access to information on all accounts. Furthermore, to remove Richard N. Vigue as evidenced by attached signature letters on file with Umpqua Bank.

The Board's next regular meeting was set for Thursday, October 26, 2017, at 7:00 a.m.

Mr. Thomas stated two of the three 2017 surplus vehicles have not sold after going out for bids on 3 separate occasions. After a brief discussion, Ms. Cribbins stated the County has had success with sales of vehicles on the State Auction website and suggested staff contact the County Road Department to obtain information on the State Auction website.

Mr. Whitty gave the following updates:

The State Street Main Replacement Project is currently in the design phase.

The North 8th Street project is progressing. Knife River was slightly delayed due to discovery of a pinhole leak in a new ductile iron pipe. This section has been replaced and they are ready to tie in the new 16-inch main.

Regarding the Joe Ney Dike, the boil is now about 5 feet from where it was previously and is not as significant as before. The fish flow is functioning. Staff is awaiting recommendations from Cornforth Consultants.

The 2017 Timber Sale Contract has been signed and will commence next spring.

Water Treatment Plant Supervisor Mr. Cover stated the chemicals to be removed have been profiled and approved, and staff will be scheduling the removal/disposal of them with Clean Harbors Environmental Services, Inc.

The ACH tank replacement which was awarded to Pacific Excavation, Inc. is in progress and should be completed this month.

At 7:30 a.m. Chair Sharps 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 7:51 a.m.

There being no other business to come before the Board, Chair Sharps adjourned the meeting at 7:51 a.m.

Approved: _____, 2017

By: _____
Chair Charles J. Sharps, Ph.D.

ATTEST: _____