ANNUAL REPORT

FISCAL YEAR 2013-2014

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COOS BAY • NORTH BEND
WATER BOARD

OFFICE: (541)267-3128
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Left to right standing: Mr. J. Gregory Solarz, Member
Mr. Richard Vigue, Secretary
Ms. Melissa Cribbins, Vice-Chair
Charles J. Sharps, Ph.D., Chair

Coos Bay-North Bend Water BOARD OF DIRECTORS' MESSAGE

"Providing a Reliable, Quality Service Meeting the Present and Future Needs of Our Communities"

Thank you for reviewing the 2013-2014 Coos Bay-North Bend Water Board's Annual Report. You will find information related to your utility's projects, finances, and water quality as well as an overview of the operations of the Coos Bay-North Bend Water Board and the services it provides. Additional information about your utility can be found on our website: www.cbnbh2o.com

No doubt you are aware that America's infrastructure of roads, sewers, bridges, and water systems are at capacity and/or are wearing out. Fortunately, with our staff and General Manager's guidance and leadership, the Board has been able to anticipate potential shortfalls in our water system and has planned and scheduled Water Board operations, weeks, months and years ahead of time.

As members of your Water Board, we encourage your comments and suggestions. Please contact staff at the Water Board or ask to be connected to one of us at (541)267-3128. We respect your opinions and advice in operating your utility. For a closer look at your facilities, consider attending a board meeting or arranging for a tour.

BOARD OF DIRECTORS

_____
J. Gregory Solarz, Member

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

_____
Melissa Cribbins, Vice-Chair

_____
Richard Vigue, Secretary

Water Utility Infrastructure Inventory

Water Treatment Plants

Pony Creek Filtration Plant—12 MGD*
North Spit Treatment Plant—1 MGD*

Surface Water Storage

- Upper Pony Creek Dam and Reservoir
  6,230 AC-FT
- Merritt Lake Dam and Reservoir
  385 AC-FT
- Joe Ney Dike, Reservoir and Pump Station
  275 AC-FT

Dunes Aquifer System

18 Wells
12 Miles of Pipe
25 Test Wells (Piezometers)
1 Booster Pump Station
3 Monitoring Wells

Distribution System

12,839 Water Services
258 Miles of Pipe
1,194 Hydrants
5,380 Control and Hydrant Valves

*MGD = Million Gallons per Day
AC-FT= Acre Feet (325,830 gallons)

Pump Station Name	Associated Storage Facility
6th and I Street	10th & I Street Reservoir
10th and E Street	14th & F Street Reservoir
10th and Ingersol	Ingersol Reservoir
13th Court	Isthmus Heights Reservoir
14th and Nutwood Avenue	High Level Reservoir
Brights Mill	Brights Mill Reservoir
California Street	Libby Reservoir
Crestview	High Level Reservoir
Everest Avenue	Everest Reservoir
Flanagan Street	Bay Park Reservoir
Glasgow	Glasgow Reservoir
Glasgow Heights	Glasgow Reservoir
Hauser	Hauser Reservoir
High Level	High Level Reservoir
Market Street	Clearwell
Millington	Millington Reservoir
Minnesota Street	Clearwell
Newmark and Ash	Radar Reservoir
Newmark and Tremont	Union Avenue Reservoir
Oregon Street	Libby Reservoir
Pennsylvania Avenue	Libby Reservoir
Pigeon Point	Charleston Reservoir
Seven Devils	Charleston Reservoir
Shinglehouse Slough Road	Brights Mill Reservoir
Shorewood	Shorewood Reservoir
Sierra Avenue	Everest Reservoir
Telegraph Hill	High Level Reservoir
Terramar	Terramar Reservoir
Union Avenue High Level	High Level Reservoir
Wisconsin Avenue	Charleston Reservoir
Woodlawn High Level	High Level Reservoir

Projects and Equipment Included in Fiscal Year 2013-14 Budget

No.	Project Listing	Estimated Cost
1	Install 2” on Barham Terrace from Oregon east, 300’, Retire 272’ 2” GI	$ 22,000
2	Install 6” on 20th Street from Juniper south, 370’ and 2” on Woodland Court from Woodland Drive east 153’, Retire 523’ 2” GI	71,000
3	Install 8” on Sheridan from Ohio to Maryland, 920’ 6” CI	175,000
4	Install 8” on Anderson from 10th to 7th, 880’, Retire 880’ 6” CI	126,000
5	Install 8” on Sheridan from Ohio to State, 1,500’, Retire 1,500’ 6” CI	233,000
6	Bay Park Reservoir – Roof Support Replacement and Interior and Exterior Painting	79,000
7	Hauser Reservoir Metal Building and Roof	95,300
8	Englewood Water System Planning and Preliminary Design	20,000
9	Englewood Water System Design	56,000
10	Well Meter Replacements	4,000
11	Low Lift PS Chlorine Booster Install, Chemical Injector and Sample Line Relocate, TW and FW Sample Line Extension from Chemical Building to Lab	87,600
12	Install Security System at New Chemical Building	3,000
13	Meter Replacements	16,500
14	Distribution System Asbuilting and Mapping	30,000
15	Cathodic Protection at Point Adams - Rectifier	9,000
16	Replace Chlorine Equipment at North Spit Treatment Plant	4,500
17	Telemetry Units at Hauser Pump Station and Reservoir	21,000
18	Reroof Treatment Plant Building	81,600
19	Treatment Plant Paving and Sidewalks	100,000
20	Paint Service Center, south and west Equipment Buildings, Gas Shed and Treatment Plant	142,800
21	Lighting and Ceiling Tile Replacement for Upper Floor of Service Center	54,000
22	Terramar Pump Station	33,500
23	Service Center HVAC Improvements	7,500
	Total Project Costs	**$1,472,300**

Projects and Equipment Included in Fiscal Year 2013-14 Budget
Continued

No.	Equipment Listing	Estimated Cost
1	Backhoe (Replace #99)	$ 90,000
2	Track Loader (Replace #97).	43,000
3	Vehicle Accessories.	19,500
4	Treatment Plant Furniture	1,000
5	Treatment Plant Equipment - Piezometers	2,000
6	Auxiliary Potable Water Pump	2,000
7	Self-Advancing Pneumatic Piercing Tool (Mole)	5,000
8	Laptop for Flushing Program	1,000
9	Emergency Auxiliary Pump	1,000
10	Lawnmowers (2 Push Type)	1,000
11	Engineering Copier/Scanner	20,000
12	Engineering Pipe Locator	3,000
13	Engineering Vertical File	3,500
14	Upgrade AutoCAD and Carlson Software	4,500
15	Customer Service Representative Computer	1,200
16	Meter Reading Autoguns (2)	2,700
17	Letter Opener	3,500
18	Hand-helds for Meter Readers (4)	15,000
	Total Equipment Costs	**$218,900**
	Total Estimated Capital Expenditures	**$ 1,691,200**

Frequently Asked Questions and Utility Statistics
Fiscal Year 2013-2014

Q: How many customers does the Water Board serve?

A: As of June 30, 2014, our customer total is 12,839, which includes 9,961 customers inside the city limits of Coos Bay and North Bend and 2,878 customers outside the city limits. The total population served by the Water Board is approximately 34,500 within a service area of approximately 100 square miles.

Q: How much per month does the average residential customer spend for water?

A: The rates are different for customers inside the city limits than customers outside the city limits. The average monthly residential bill inside the city limits is $25.35 and outside the city limits is $35.11. The average residential customer uses 4,264 gallons of water monthly.

Q: What does it take to get the water from the treatment plant to the customer's tap?

A: More infrastructure than most people might imagine! When the water leaves the treatment plant, it goes into the distribution system which consists of 258 miles of various sizes of pipeline, approximately 5,380 control and hydrant valves within those pipelines, and approximately 1,194 fire hydrants. It takes 31 pump stations within the distribution system to get the water to customers at adequate pressure, plus 19 storage reservoirs located throughout the system.

Q: Where does the water come from that's treated by Pony Creek Water Treatment Plant?

A: There are two surface water reservoirs upstream of the treatment plant, Upper Pony Creek and Merritt Reservoirs. The larger, Upper Pony Creek Reservoir, can hold 2 billion gallons of water; and Merritt Reservoir can hold 125 million gallons.

There is a third surface water storage area at Joe Ney Slough which can store 90 million gallons. Water is pumped from Joe Ney through a pipeline into the Upper Pony Creek Reservoir.

Q: How much water is produced in a year for customers?

A: The total amount of water produced for customers this fiscal year was 1,502 million gallons of treated water and 162 million gallons of untreated water. The average daily demand for treated water was 4.27 million gallons and 0.460 million gallons for untreated water. The demand peaked at 6.21 million gallons per day for treated and 0.450 million gallons per day for untreated water in fiscal year 2013-14.

Q: How many water treatment plants are there?

A: There are two. The main treatment plant, Pony Creek Water Treatment Plant, is located on Ocean Boulevard, Coos Bay and has a production capacity of 12 million gallons per day (MGD). The North Spit Water Treatment Plant, located on TransPacific Lane, North Bend, treats water from the dunes well system and has a capacity of 1 MGD. If an emergency arises, the North Spit Plant supplements the Pony Creek Plant to meet the needs of Water Board customers.

Q: How many wells are in the dunes?

A: There are 18 production wells in the dunes which can produce up to 4 million gallons per day of untreated water.

Coos Bay-North Bend Water Board
Statement of Net Position as of June 30, 2014

Assets:		
Current Assets:		
Cash and Cash Equivalents	$ 5,536,052	
Accounts Receivable - Water (Net)	309,308	
Accounts Receivable - Sewer	372,168	
Accounts Receivable - Other	1,065	
Inventory	457,866	
Prepaid Expenses	34,116	
Clearing Account	47,494	
Other Work in Progress	19,469	
Total Current Assets		$ 6,777,538
Restricted Cash Assets		38,616
Utility Plant:		
Utility Plant (Net of Accumulated Depreciation)	$61,328,719	
Construction in Progress	1,049,932	
Total Utility Plant		62,378,651
Total Assets:		$69,194,805
Liabilities and Net Assets:		
Current Liabilities:		
Accounts Payable	$ 369,372	
Accrued Salaries, Payroll Taxes and Insurance	91,380	
Accrued Interest on Long-term Debt	220,848	
Accrued Vacation	159,682	
Accrued Other Expenses	14,805	
Current Portion of Long-term Debt	936,882	
Sewer Service Collections Payable to Cities	582,049	
Sewer Service Receivables Payable to Cities	372,168	
Total Current Liabilities		$ 2,747,186
Liabilities Payable from Restricted Assets		38,616
Long-Term Liabilities:		
Bonds Payable (Net of Current Portion)	$16,478,925	
Total Long-Term Liabilities		16,478,925
Total Liabilities:		19,264,727
Net Assets:		
Investment in Capital Assets, Net of Related Debt	$44,962,844	
Restricted Net Assets	-0-	
Unrestricted	4,967,234	
Total Net Assets		$49,930,078

2014 WATER QUALITY STATISTICS

One of the most important focuses of the Water Board is to provide high quality drinking water to our customers. Thousands of tests are performed annually as part of our quality control program and to insure compliance with state and federal regulations. The following results are reflective of 2014 reporting requirements.

Abbreviations and units used in trace concentration measurements issued by the Oregon Health Authority:

Waiver = non-vulnerability to contaminant
NTU = nephelometric turbidity unit
mg/L = milligrams per liter
pCi/L = picocuries per liter
MCL = maximum contaminant level
MFL = million fibers per liter (EPA)
ug/L = micrograms per liter
ND = not detected
CU = color units
< = less than
> = greater than
AL = action level
P/A = presence/absence

PARAMETER	UNIT	MCL	RESULTS
Turbidity	NTU	0.3	0.06
MICROBIOLOGICAL			
Coliform	P/A	5% positive	482 - Absent 1 - Present
INORGANICS			
Antimony	mg/L	0.006	ND @ 0.0002
Arsenic	mg/L	0.01	ND @ 0.001
Asbestos	MFL	7.0	ND
Barium	mg/L	2.0	ND @ 0.05
Beryllium	mg/L	0.004	ND @ 0.0001
Cadmium	mg/L	0.005	ND @ 0.0001
Chromium	mg/L	0.1	ND @ 0.005
Cyanide	mg/L	0.2	ND @ 0.003
Fluoride	mg/L	2 – 4	1.03
Lead	mg/L	0.015-AL	• 0.00184
Mercury	mg/L	0.002	ND @ 0.0002
Nickel	mg/L	0.1	ND @ 0.0005
Total Nitrate (as N)	mg/L	10.0	0.35
Nitrate + Nitrite (as N)	mg/L	10.0	0.37
Nitrite (as N)	mg/L	1.0	ND @ 0.05
Selenium	mg/L	0.05	0.0005820
Sodium (advisory)	mg/L	20	7.69
Thallium	mg/L	0.002	ND @ .0005
SYNTHETIC ORGANIC CHEMICALS			
2, 4-D	mg/L	0.07	ND @ 0.001
2,4,5-TP (Silvex)	mg/L	0.05	ND @ 0.005
Adipates	mg/L	0.4	ND @ 0.004
Alachlor	mg/L	0.002	ND @ 0.0002
Atrazine	mg/L	0.003	ND @ 0.0003
Benzoapyrene	mg/L	0.0002	ND @ 0.00004
BHC-gamma (Lindane)	mg/L	0.0002	ND @ 0.00002
Carbofuran	mg/L	0.04	ND @ 0.004
Chlordane	mg/L	0.002	ND @ 0.00025
Dalapon	mg/L	0.2	ND @ 0.005
Dibromochloropropane	mg/L	0.0002	ND @ 0.0000188
Dinoseb	mg/L	0.007	ND @ 0.0005
Dioxin	mg/L	0.00000003	Waiver
Diquat	mg/L	0.02	ND @ 0.002
Endothall	mg/L	0.1	ND @ 0.01
Endrin	mg/L	0.002	ND @ 0.00002
Ethylene Dibromide	mg/L	0.00005	ND @ 0.00001
Glyphosate	mg/L	0.7	ND @ 0.05
Heptachlor Epoxide	mg/L	0.0002	ND @ 0.00002
Heptachlor	mg/L	0.0002	ND @ 0.00002
Hexachlorobenzene	mg/L	0.001	ND @ 0.0001
Hexachlorocyclopentadiene	mg/L	0.05	ND @ 0.0005

•90th percentile for Lead and Copper

PARAMETERS	UNIT	MCL	RESULTS
SYNTHETIC ORGANIC CHEMICALS cont'd.			
Methoxychlor	mg/L	0.04	ND @ 0.0001
Pentachlorophenol	mg/L	0.001	ND @ 0.0001
Phthalates	mg/L	0.006	ND @ 0.0006
Picloram	mg/L	0.5	ND @ 0.005
Polychlorinated Biphenyls	mg/L	0.0005	ND @ 0.0001
Simazine	mg/L	0.004	ND @ 0.0004
Toxaphene	mg/L	0.003	ND @ 0.0003
Vydate (Oxamyl)	mg/L	0.2	ND @ 0.004
VOLATILE ORGANIC CHEMICALS*			
Trihalomethanes **	mg/L	0.08	0.031
Halo Acetic Acids ***	mg/L	0.06	0.012
1,1,1,2-Tetrachloroethane *	mg/L		ND @ 0.0005
1,1,1-Trichloroethane	mg/L	0.2	ND @ 0.0005
1,1,2,2-Tetrachloroethane *	mg/L		ND @ 0.0005
1,1,2-Trichloroethane	mg/L	0.005	ND @ 0.0005
1,1-Dichloroethane *	mg/L		ND @ 0.0005
1,1-Dichloroethylene	mg/L	0.007	ND @ 0.0005
1,1-Dichloropropene *	mg/L		ND @ 0.0005
1,2,3-Trichloropropane *	mg/L		ND @ 0.0005
1,2,4-Trichlorobenzene	mg/L	0.07	ND @ 0.0005
1,2-Dichloroethane	mg/L	0.005	ND @ 0.0005
1,2-Dichloropropane	mg/L	0.005	ND @ 0.0005
1,3-Dichloropropane *	mg/L		ND @ 0.0005
1,3-Dichloropropene *	mg/L		ND @ 0.0005
2,2-Dichloropropane *	mg/L		ND @ 0.0005
Benzene	mg/L	0.005	ND @ 0.0005
Bromobenzene *	mg/L		ND @ 0.0005
Bromodichloro-methane	mg/L		0.0062
Bromoform	mg/L		ND @ 0.0005
Bromomethane *	mg/L		ND @ 0.0005
Carbon Tetrachloride	mg/L	0.005	ND @ 0.0005
Chloroethane *	mg/L		ND @ 0.0005
Chloroform	mg/L		0.0047
Chloromethane *	mg/L		ND @ 0.0005
cis-1,2 Dichloroethylene	mg/L	0.07	ND @ 0.0005
Dibromochloro-methane	mg/L		0.0033
Dibromomethane	mg/L		ND @ 0.0005
Dichloromethane	mg/L	0.005	ND @ 0.0005
Ethylbenzene	mg/L	0.7	ND @ 0.0005
m-Dichlorobenzene *	mg/L		ND @ 0.0005
Methyl tert-butyl ether *	mg/L		ND @ 0.0005
Monochlorobenzene	mg/L	0.1	ND @ 0.0005
o-Chlorotoluene *	mg/L		ND @ 0.0005
o-Dichlorobenzene	mg/L	0.6	ND @ 0.0005
p-Chlorotoluene *	mg/L		ND @ 0.0005
p-Dichlorobenzene	mg/L	0.075	ND @ 0.0005
Styrene	mg/L	0.1	ND @ 0.0005
Tetrachloroethylene	mg/L	0.005	ND @ 0.0005
Toluene	mg/L	1.0	ND @ 0.0005
trans-1,2-Dichloroethylene	mg/L	0.1	ND @ 0.0005
Trichloroethylene	mg/L	0.005	ND @ 0.0005
Vinyl Chloride	mg/L	0.002	ND @ 0.0005
Xylenes (total)	mg/L	10.0	ND @ 0.0005
RADIONUCLIDES-NATURAL ORIGIN			
Gross Alpha	pCi/L	15	ND
Combined Radium 226/228	pCi/L	5	2.5
Combined Uranium	ug/L	30	ND @ 1.0
SECONDARY CONTAMINANT			
Color	CU	15	9
pH		6.5-8.5	8.1
Hardness	mg/L	250.0	14
Copper	mg/L	1.3-AL	• 0.0301
Iron	mg/L	0.3	0.03
Manganese	mg/L	0.05	0.017

* Blanks under MCL represent unregulated volatile organic chemicals

** Trihalomethanes include: Bromodichloromethane, Bromoform, Chloroform, Dibromochloromethane

*** Halo Acetic Acids include: Dibromoacetic acid, Dichloroacetic acid, Monobromoacetic acid, Monochloroacetic acid, Trichloroacetic acid

Utility Mission Statement:

"Providing a Reliable, Quality Service Meeting the Present and Future Needs of our Communities"

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