ANNUAL REPORT

FISCAL YEAR 2014-2015

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COOS BAY • NORTH BEND
WATER BOARD

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

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 2014-2015 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

_____
Melissa Cribbins, Chair

_____
Richard Vigue, Vice-Chair

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J. Gregory Solarz, Secretary

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Charles J. Sharps, Ph.D., Member

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
1,195 Hydrants
5,494 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 2014-15 Budget

No.	Project Listing	Estimated Cost
1	Install 2” main on 5th Avenue North of E Street, 330’, Retire 330’ 2” GI	$ 19,400
2	Install 8” on Sheridan from Ohio to Maryland, 920’, Retire 920’ 6” CI	180,400
3	Install 16” main on Pine and North 8th from Bayshore Drive to Koosbay Boulevard, 2000’, Retire 2000’ 14” CI.	476,000
4	Install 6” PVC on State Street from Chester west 335’, Retire 335’,6” CI	35,500
5	Install 2” on E Street from 9th Avenue west 738’, Retire 738’ 2” AC	22,900
6	Install 6” PVC on Madrona from California to Virginia 360’, Retire 370’ 2” GI	35,300
7	Install 2” main Everest Road for 3rd Level Pump Station, 480’	29,200
8	Install 6” PVC on Juniper from 13th Street east 260’ plus 2” PVC on Juniper 201’, Retire 461’ 2” GI	40,000
9	Install 2” on Barham Terrace from Ocean east, 300’, Retire 272’ 2” GI	22,000
10	Install 2” on South Barry, 300’, Retire 272’ 2” GI	11,200
11	Bay Park Reservoir Replacement	232,300
12	Glasgow Reservoir Roof	11,000
13	Ingersoll Reservoir Fence using $7,500 in Grant Funds	17,500
14	Englewood Water System Planning and Preliminary Design	19,500
15	Everest 3rd Level Pump Station	73,000
16	Terramar Pump Station Upgrade Pipe and Pump	18,000
17	Well Meter Replacements	4,000
18	Chlorine Tank Lifting Bar and Digital Weight Indicator	4,600
19	Vacuum Chlorinators	17,800
20	Telemetry Units at Shinglehouse Pump Station and Brights Mill Pump Station and Reservoir	35,300
21	Telemetry Units at Terramar Pump Station and Reservoir	20,700
22	Meter Replacements	17,000
23	Distribution System Asbuilting and Mapping	20,000
24	Cathodic Protection at Point Adams - Ground Bed	16,700
25	Service Center Upstairs Carpet and Baseboard Replacement	10,000
26	McCullough Bridge 16” Steel Pipe Zinc Coating	31,000
27	Telemetry Units at Hauser Pump Station and Reservoir	17,700
28	Cathodic Protection at Point Adams - Rectifier	9,600
	Total Project Costs	**$1,447,600**

Projects and Equipment Included in Fiscal Year 2014-15 Budget
Continued

No.	Equipment Listing	Estimated Cost
1	4WD Pickup (#8 Engineering)	$ 24,200
2	2WD Pickup (#7 Meter Reader)	19,800
3	Forklift (#85 Distribution)	47,000
4	Valve Maintenance Trailer	60,000
5	Vehicle Accessories	4,000
6	Computer Server	7,000
7	Company-wide Computer Upgrade to Windows 7	20,000
8	Upgrade AutoCad Purchase Civil 3D Software	10,500
9	Laser Printer for Accounting	2,000
10	Meter Reading Autogun (2)	2,800
11	Computer Equipment for Customer Service	3,200
	Total Equipment Costs	**$200,500**
	Total Estimated Capital Expenditures	**$1,648,100**

Frequently Asked Questions and Utility Statistics
Fiscal Year 2014-2015

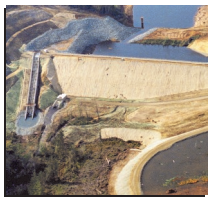
Q: How many customers does the Water Board serve?
A: As of June 30, 2015, our customer total is 12,875, which includes 9,983 customers inside the city limits of Coos Bay and North Bend and 2,892 customers outside the city limits. The total population served by the Water Board is approximately 34,500 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 $25.78 and outside the city limits is $35.61. The average residential customer uses 4,249 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 5,494 control and hydrant valves within those pipelines, and approximately 1,195 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 1,336 million gallons of treated water and 169 million gallons of untreated water. The average daily demand for treated water was 3.66 million gallons and 0.466 million gallons for untreated water. The demand peaked at 7.086 million gallons per day for treated and 0.455 million gallons per day for untreated water in fiscal year 2014-15.

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, 2015

Assets:		
Current Assets:		
Cash and Cash Equivalents	$ 4,585,813	
Accounts Receivable - Water (Net)	309,160	
Accounts Receivable - Sewer	394,436	
Accounts Receivable - Other	3,520	
Inventory	396,830	
Prepaid Expenses	4,688	
Clearing Account	85,030	
Other Work in Progress	116,801	
Total Current Assets		$ 5,896,278
Restricted Cash Assets		115,689
Utility Plant:		
Utility Plant (Net of Accumulated Depreciation)	$61,795,956	
Construction in Progress	1,788,655	
Total Utility Plant		63,584,611
Total Assets:		$69,596,578
Deferred Outflow of Resources:		$ 590,548
Liabilities and Net Assets:		
Current Liabilities:		
Accounts Payable	$ 364,944	
Accrued Salaries, Payroll Taxes and Insurance	126,542	
Accrued Interest on Long-term Debt	211,018	
Accrued Vacation	153,552	
Accrued Other Expenses	19,865	
Current Portion of Long-term Debt	980,062	
Sewer Service Collections Payable to Cities	634,447	
Sewer Service Receivables Payable to Cities	347,271	
Total Current Liabilities		$ 2,837,701
Liabilities Payable from Restricted Assets		115,689
Net Pension Liability		1,377,976
Long-Term Liabilities:		
Bonds Payable (Net of Current Portion)	$15,498,865	
Total Long-Term Liabilities		15,498,865
Total Liabilities:		19,830,231
Net Assets:		
Investment in Capital Assets, Net of Related Debt	$47,105,684	
Unrestricted	3,251,211	
Total Net Assets		$50,356,895

2015 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 2015 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	0.07
MICROBIOLOGICAL			
Coliform	P/A	5% positive	482 - Absent 3 - 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	• 0.0018
Mercury	mg/L	0.002	ND @ 0.0002
Nickel	mg/L	0.1	ND @ 0.0005
Total Nitrate (as N)	mg/L	10.0	0.55
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	0.035
Halo Acetic Acids ***	mg/L	0.06	0.014
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		0.0052
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	12
Copper	mg/L	1.3-AL	• 0.0301
Iron	mg/L	0.3	0.04
Manganese	mg/L	0.05	0.016

* 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

Egret and pintail gathering at the mouth of the Matson Creek Fisheries Restoration Project *Photo by Mike Gray/ODFW 2015*

VISIT OUR WEBSITE AT

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