

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

Minutes
Regular Board Meeting

June 13, 2024
1:00 p.m.

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Chair Greg Solarz presiding. Other Board members present: Bill Richardson, and Rob Kilmer. Board Members absent: Carmen Matthews. Water Board staff present: Ivan D. Thomas, General Manager; Monica Kemper, Finance Director; Jeff Miller, Water Treatment Supervisor and Interim Operations Manager; Aimee Hollis, Customer Relations Manager; and Stacey Parrott, Executive Assistant & HR Specialist. Board Legal Counsel Melissa Cribbins was present. Media present: None. Timothy Lambson of Crow/Clay and Associates Inc. was present; and Zoe Thomas was present.

Chair Solarz opened the meeting at 1:00 p.m.

Chair Solarz asked if there were any corrections or additions to the May 16, 2024, Regular Board meeting minutes. Mr. Kilmer moved the minutes be approved as written. The motion was seconded by Mr. Richardson and passed unanimously.

Chair Solarz asked if there were any public comments and there were none.

Regarding adoption of the FY2024-25 financial budget, Mr. Thomas stated the Budget Committee recommended a 6.60% rate adjustment in general water rates, fire services and fire hydrants as shown in Exhibit "A" of proposed Resolution No. 405, and a 3.38% rate adjustment in System Development Charges, and asked the Board if they had any modifications or comments.

After a brief discussion, Mr. Kilmer moved to adopt FY24-25 budget as recommended by the Budget Committee and approve Resolution No. 405 which includes a rate increase of 6.60% and a 3.38% rate adjustment in System Development Charges. The motion was seconded by Mr. Richardson and passed unanimously. The Resolution read as follows:

Resolution No. 405

**ADJUSTMENTS TO GENERAL WATER RATES
FIRE SERVICES, FIRE HYDRANTS
AND
SYSTEM DEVELOPMENT CHARGES**

WHEREAS, by and pursuant to the authority vested in the Coos Bay-North Bend Water Board (Water Board), pursuant to the respective charters of the Cities of Coos Bay and North Bend, Oregon, and the laws of the State of Oregon, said Water Board has the right and authority to fix rates to be paid by users of water from the Water Board system, to make and determine reasonable classifications of various rates, and to promulgate and make effective regulations and service fees in connection with the operation of said water system; and

WHEREAS, Water Board has reviewed current rates and charges in relationship to the operational and capital needs of the utility and found them insufficient to meet Water Board's goals; and

WHEREAS, Water Board has determined that the needs of the utility must be appropriately funded;

NOW, THEREFORE, BE IT RESOLVED, that general water rates, fire services fire hydrants and System Development Charges for all classifications of water users within and without the corporate limits of the Cities of Coos Bay and North Bend, Oregon, established by duly adopted resolutions of Coos Bay-North Bend Water Board, shall be amended by the attached Exhibit "A" to be effective July 1, 2024, for all bills rendered on or after July 1, 2024.

Adopted this _____ day of _____, 2024.

COOS BAY-NORTH BEND WATER BOARD

By: _____
J. Gregory Solarz, Chair

ATTEST

GENERAL WATER RATES

Rate per 100 cubic feet for all consumption over 300 cubic feet			Minimum charge for consumption metering from 0 to 300 cubic feet per month		
<u>Classification</u>	<u>Inside</u>	<u>Outside</u>	<u>Meter Size</u>	<u>Inside</u>	<u>Outside</u>
Residential	\$4.319	\$5.750	Meter Surcharge	\$0.00	\$5.00
Multiple-residential	3.389	4.938	5/8-inch	29.35	41.00
Commercial	3.438	5.012	3/4-inch	31.15	43.61
Industrial	2.982	3.993	1-inch	38.48	53.85
Public/Other	3.123	4.545	1 1/2-inch	56.78	79.52
Untreated		0.512	2-inch	84.25	117.96
			3-inch	148.37	207.78
			4-inch	240.02	336.00
			6-inch	469.04	656.67
			8-inch	743.87	1,041.43
			10-inch	1,064.53	1,490.34

FIRE SERVICES

To be charged monthly at the rate of \$7.41 per inch of diameter of service pipe in addition to any meter rate

<u>Fire Service Line Size</u>	<u>Monthly Fee</u>
2" or less	\$14.82
3"	22.23
4"	29.64
6"	44.46
8"	59.28
10"	74.10

SYSTEM DEVELOPMENT CHARGES

METER SIZE	(ME) Meter Equivalent	SDC
5/8"	1.0	\$ 4,959
3/4"	1.5	\$ 7,439
1"	2.5	\$ 12,398
1.5"	5.0	\$ 24,796
2"	8.0	\$ 39,673
3"	16.0	\$ 79,346
4"	25.0	\$ 123,978
6"	50.0	\$ 247,957
8"	80.0	\$ 396,731
10"	115.0	\$ 570,301

FIRE HYDRANT RATES

- a. Hydrants inside the Cities of Coos Bay and North Bend which are owned by the Cities of Coos Bay and North Bend - NO CHARGE
- b. Hydrants owned and maintained by private parties or by other public bodies within the Cities of Coos Bay and North Bend, per month in advance - \$15.29
- c. Hydrants owned and maintained by organized fire districts, private parties, or by other public bodies outside the corporate limits of Coos Bay and North Bend, per month in advance - \$21.22

NOTE: THE ABOVE GENERAL WATER RATES, FIRE SERVICES, FIRE HYDRANTS, AND SYSTEM DEVELOPMENT CHARGES SHALL BE IN EFFECT FOR ALL CHARGES MADE AND BILLED AS OF THE JULY 1, 2024, BILLING DATE.

Regarding the proposed renewal of Property/Liability Insurance Coverage with City/County Insurance Services, Finance Director Monica Kemper stated the utility's agent, Nasburg Huggins Insurance Agency, has provided the annual proposal for property and liability insurance for FY2024- 2025.

The FY 2024-2025 proposed premium cost with a multi-line credit is \$190,071.46. This is an increase of \$20,484.56 from FY 2023-2024. This is a 12.3% increase, due to General Liability premium increases of about 10% and also an increase in budget costs.

Property and liability insurance services for FY 2024-2025 will be effective July 1, 2024. Premiums will be billed applicable to the service dates within the same year. The premium is budgeted accordingly in the FY 2024-2025 Water Board budget.

Mr. Kilmer motioned to authorize the General Manager to sign the CIS Property and Liability proposal to secure property and liability insurance service renewals for the 2024-2025 fiscal year at a proposed cost of \$190,071.46. The motion was seconded by Mr. Richardson and passed unanimously.

Regarding the proposed renewal of Workers' Compensation Insurance with SAIF Corporation for FY2024-2025, staff has received the annual proposal from the Water Board's agent Nasburg Huggins Insurance Agency, Inc.

The estimate for workers' compensation in FY 2023-2024 was closed at \$30,998. The 2024-2025 proposal illustrates a price increase of \$1,059 for a total estimate of \$32,057. The price increase for FY25's renewal is primarily due to an increase in subject payroll and increase in the utility's mod rating. The Water Board's modification (mod) rate increased from .90 to .99, a .09 point increase. The mod rate is based on the latest three-year history of workers' compensation claims and projected payroll for the coming year. The Water Board's mod rate is still considered to be excellent. The best workers' compensation premiums are at a mod rate below 1.00.

Workers' compensation insurance services for FY 2024-2025 will be effective July 1, 2024. Premiums will be billed applicable to the service dates within the same year. The Water Board receives pre-pay and premium discounts totaling the cost of workers compensation insurance at \$32,057.26 which is budgeted accordingly in the FY 2024-2025 Water Board budget.

A motion was made by Mr. Solarz authorizing the General Manager to sign the SAIF Workers' Compensation agreement to secure workers' compensation insurance service renewals for the 2024-2025 fiscal year at an estimated cost of \$32,057. The motion was seconded by Mr. Kilmer and passed unanimously.

Mr. Thomas presented proposed Resolution No. 406 titled "Resolution Extending Workers' Compensation Coverage to Volunteers of Coos Bay-North Bend Water Board for Policy Year 2024-2025. Insurance will be provided by SAIF Corporation. The estimated premium for coverage is \$2.47 per year. Mr. Kilmer moved to adopt Resolution No. 406 as proposed. The motion was seconded by Mr. Richardson and passed unanimously. The resolution read as follows:

Resolution No. 406

A RESOLUTION EXTENDING WORKERS' COMPENSATION COVERAGE TO VOLUNTEERS OF COOS BAY-NORTH BEND WATER BOARD FOR POLICY YEAR 2024-2025

WHEREAS, ORS 656.031 provides that workers' compensation coverage will be extended to the classes of volunteer workers;

NOW, THEREFORE, be it resolved that Coos Bay-North Bend Water Board elects to provide workers' compensation coverage as listed below:

1. Unpaid volunteer Board Members will be provided with workers compensation based on providing administrative duties and hours volunteered. The assumed hourly wage for unpaid volunteer Board Members will be the assumed minimum wage filed by the National Council on Compensation Insurance for the year in which the volunteer services are provided.
2. A roster of active volunteers (non-public safety) will be kept monthly for reporting purposes. It is acknowledged that SAIF may request copies of these rosters during year-end audit; and
3. Unanticipated volunteer projects or exposure not addressed herein will be added to Coos Bay-North Bend Water Board's coverage agreement (1) by endorsement, (2) with advance notice to SAIF, and (3) allowing two weeks for processing. It is hereby acknowledged that coverage of this type cannot be backdated and must be pre-approved; and
4. This resolution will be updated annually.

Adopted this _____ day of _____, 2024.

COOS BAY-NORTH BEND WATER BOARD

By: _____
J. Gregory Solarz, Chair

ATTEST: _____

Regarding the proposed award of Service Center Remodel and Update to Z Terrell & Son, LLC, Mr. Thomas shared that over the past couple of years, there have been plans to upgrade the Service Center. The break room was identified as a key area needing improvement, primarily to boost staff morale and provide a more functional space. The current break room has outdated cabinetry and lacks adequate cooking facilities. The proposed upgrades include replacing the cabinets, adding more counter space, and installing a full sink and a cooking stove. Additionally, the room would be equipped with new appliances, including a refrigerator, to provide a more comfortable and efficient space for employees, especially those working late hours.

The Meter Services field division currently lacks dedicated office space, which has been impacting their communication and efficiency. The supervisor is currently stationed in the meter testing area at a very small desk, with no private space for consultations with employees. Other team members are scattered across three different offices. The proposed project aims to remodel the storage supply room into a consolidated office space for the entire Meter Services group. This new office would enhance communication and workflow by bringing the team together in one location.

The internal stairs of the Service Center need urgent repair. Over time, the nosing on the stairs has come loose, increasing the risk of slips and falls. While there have been no reported safety incidents yet, it is important to address this issue proactively. The proposed repair work includes reinstallation of the nosing and adding an anti-slip surface to ensure the stairs are safe to use.

Crow/Clay & Associates, the architect firm, has been managing the design and bidding process for these projects. Tim Lambson from Crow/Clay & Associates reached out to multiple contractors to get quotes for the work. Despite contacting at least three contractors, only Z Terrell responded with a quote. The quotes are as follows:

Service Center Break Room Remodel:	\$35,912.40
Meter Services Office Construction:	\$83,461.04
Stairs Repair:	\$22,362.00
Total Cost:	\$141,735.44

Z Terrell now has an opening to start work on the Service Center in June 2024. Crow Clay has prepared contracts that are under review by the General Manager and Water Board Legal Counsel. Staff have budgeted \$151,000 total for these projects in the FY24 & FY25 budgets. Mr. Thomas introduced Tim Lambson from Crow/Clay and Associates Inc. Board members were invited to ask questions or provide input regarding the design and details of the proposed Service Center upgrades and repairs. Mr. Solarz inquired if an architectural estimate had been prepared for the projects, noting a concern about the cost of repairing the stairs, noting that the estimated cost seemed high per step. Mr. Lambson clarified that the repairs cover two stairwells, including all coverings and landings, which are failing and need replacement and confirmed that there was not an architectural estimate completed for the project. Mr. Solarz raised a question concerning the capacity of the break room with the addition of more cabinets and a stove. Mr. Thomas responded that the redesign would improve the space by adding more cabinetry and counter space along one wall, making it more efficient for staff use. It was noted that the design process was thorough, ensuring everything is placed where needed for maximum efficiency. While detailed drawings were not included in the meeting materials, they are available for review.

Mr. Kilmer commented that it looked like the projects would come in under the budgeted amount of \$151,000. Mr. Thomas responded that the cost estimate for the break room remodel does not include appliances. They will be purchased separately, but the overall project is still expected to come in under budget.

Mr. Richardson motioned to award the aforementioned Service Center projects to Z Terrell & Son, LLC, allowing the General Manager to enter into three contracts for Service Center Break Room for \$35,912.40; Meter Services Office construction for \$83,461.04; Stairs Repair for \$22,362.00. The motion was seconded by Mr. Kilmer and passed unanimously.

Regarding the proposed updated job description for the Field Services Technician, Ms. Hollis stated that in times of staff turnover, it is important to review job descriptions to ensure they encompass the true nature of the work that the position is responsible for. The proposed updates are mainly to strengthen the expectation to tactfully utilize office software and communicate with internal and external customers daily. The importance lies with the ability to create and send professional notice to customers through letters and e-mail. This position is actively out in the field communicating with the public and these areas are vitally important to the position. After a brief discussion, Mr. Kilmer moved to approve the updated job description as presented for the Field Services Technician Job Description. The motion was seconded by Mr. Richardson and passed unanimously.

The Board's next regular meeting was set for Thursday, July 18, 2024, at 7:00 a.m.

At 1:21 p.m. Chair Solarz directed they go into executive session for the purposes of discussing potential litigation pursuant to ORS 192.660(2)(h) and personnel issues pursuant to ORS 192.660(2)(a).

The Board returned to open session at 1:34 p.m. There being no other business to come before the Board, Chair Solarz adjourned the meeting at 1:34 p.m.

Approved: _____, 2024

By: _____
Carmen Matthews, Chair

ATTEST: _____