

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

Minutes  
Regular Board Meeting

June 18, 2020  
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 Dillard presiding. Other Board members present: Greg Solarz, and Melissa Cribbins. Board members absent: Dr. Charles Sharps. Water Board staff present: Ivan D. Thomas, General Manager; Bryan Tichota, Customer Relations Supervisor; Jeff Howes, Finance Director; Rick Abbott, Distribution Supervisor; Jeff Page, Operations Manager; Karen Parker, Administrative Assistant; Board Legal Counsel Jim Coffey was present. Media present: None. Chair Dillard opened the meeting at 1:00 p.m. and asked Ms. Cribbins to lead the Board and assembly in the Pledge of Allegiance.

Chair Dillard asked if there were any corrections or additions to the June 4, 2020, Regular Board meeting minutes. Mr. Solarz noted an edit was needed changing the word enormous to minimal in the paragraph stating “The utility now has a modification of .68 which is *enormous* in the utility’s claims experience”. Ms. Cribbins moved the minutes be approved with the edit changing enormous to minimal. The motion was seconded by Mr. Solarz and passed unanimously.

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

Regarding adoption of the FY2020-21 financial budget, Mr. Thomas stated the Budget Committee recommended a 3.38% rate adjustment in general water rates, fire services, fire hydrants and System Development Charges as shown in Exhibit “A” of proposed Resolution No. 385, and asked the Board if they had any modifications or comments. Mr. Solarz asked if the Board adopts the 3.38% rate adjustment, and the incoming revenue doesn’t increase compared to the last 3 months, does staff have a plan in place. Mr. Thomas stated the 3.38% rate adjustment is for FY20-21 and it takes into consideration the utility would be back to normal revenue streams at that point. If revenues do not gain as expected, staff would hold off on spending, i.e. not filling some open positions, postpone projects according to how they have been prioritized until there are enough funds in the budget, or worst case scenario budget some of the projects in the following fiscal year.

After a brief discussion, Ms. Cribbins moved to adopt FY20-21 budget as recommended by the Budget Committee and approve Resolution No. 385, and modifying the SDC rate adjustment to

3.38%, as well as the general water rates, fire services and fire hydrants by 3.38%. The motion was seconded by Mr. Solarz and passed unanimously. The Resolution read as follows:

**Resolution No. 385**

**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, 2020, for all bills rendered on or after July 1, 2020.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

COOS BAY-NORTH BEND WATER BOARD

By: \_\_\_\_\_  
Robert Dillard, Chair

ATTEST

\_\_\_\_\_

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	\$3.467	\$4.614	Meter Surcharge	\$0.00	\$5.00
Multiple-residential	2.720	3.964	5/8-inch	23.56	32.91
Commercial	2.759	4.023	3/4-inch	25.00	35.01
Industrial	2.393	3.205	1-inch	30.88	43.23
Public/Other	2.507	3.648	1 1/2-inch	45.57	63.83
Untreated		0.410	2-inch	67.62	94.68
			3-inch	119.09	166.78
			4-inch	192.65	269.69
			6-inch	376.48	527.07
			8-inch	597.06	835.90
			10-inch	854.44	1,196.23

### FIRE SERVICES

To be charged monthly at the rate of \$5.94 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	\$ 11.88
3"	17.82
4"	23.76
6"	35.64
8"	47.52
10"	59.40

### SYSTEM DEVELOPMENT CHARGES

<u>METER SIZE</u>	<u>(ME) Meter Equivalent</u>	<u>SDC</u>
5/8"	1.0	\$ 3,949
3/4"	1.5	\$ 5,924
1"	2.5	\$ 9,873
1.5"	5.0	\$ 19,747
2"	8.0	\$ 31,594
3"	16.0	\$ 63,188
4"	25.0	\$ 98,731
6"	50.0	\$ 197,462
8"	80.0	\$ 315,940
10"	115.0	\$ 454,163

### FIRE HYDRANT RATES

- Hydrants inside the Cities of Coos Bay and North Bend which are owned by the Cities of Coos Bay and North Bend - NO CHARGE
- 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 - \$12.26
- 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 - \$17.04

**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, 2020, BILLING DATE.**

Mr. Thomas presented proposed Resolution No. 386 titled "Resolution Extending Workers' Compensation Coverage to Volunteers of Coos Bay-North Bend Water Board for Policy Year 2020-2021. Insurance will be provided by SAIF Corporation. The estimated premium for coverage is \$9.00 per year. Ms. Cribbins moved they adopt Resolution No. 386 as proposed. The motion was seconded by Mr. Solarz and passed unanimously. The resolution read as follows:

**Resolution No. 386**

**A RESOLUTION EXTENDING WORKERS' COMPENSATION COVERAGE TO VOLUNTEERS OF COOS BAY-NORTH BEND WATER BOARD FOR POLICY YEAR 2020-2021**

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 \_\_\_\_\_, 2020.

COOS BAY-NORTH BEND WATER BOARD

By: \_\_\_\_\_  
Robert Dillard, Chair

ATTEST: \_\_\_\_\_

Mr. Thomas reviewed a letter from Board Attorney Jim Coffey requesting an adjustment in legal fees effective July 1, 2020 based on the Pacific Cities CPI percentage of 2.8% (as of December 2019). There are sufficient funds in the Fiscal Year 2020-2021 budget for legal expenses to accommodate this increase. Legal fees would be increased by 2.8% as follows: Jim Coffey and Mike Stebbins from \$183.28/hour to \$188.41/hour; Jane Stebbins from \$171.36 to \$176.16; and paralegal services from \$65.07 to \$66.89. The last attorney fee increase was July 1, 2019. After a brief discussion, Ms. Cribbins moved to approve the attorney fee increase as outlined in Mr. Coffey's letter effective July 1, 2020. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding the proposed final payment on the Madrona Water Main Replacement Project, Engineering Supervisor Matt Whitty stated the project went very well and is complete and ready for final payment. An affidavit was submitted by K&E Excavating, Inc. certifying all work is complete, all subcontractors and suppliers have been paid in full, prevailing wages were paid to laborers and workers, and all monies due to SAIF, Unemployment Compensation and the Tax Commission have been paid.

The unit price bid from K&E Excavating, Inc. totaled \$278,720. One change order in the amount of \$1,008 increased the contract price to \$279,728. Differences between the bid quantities and actual quantities resulted in a net contract price increase of \$2,562.90, for a total cost of \$282,290.90. This project was included in the FY20 budget at an estimated contractor cost of \$290,000.

The Water Board has made progress payments to K&E Excavating, Inc. totaling \$207,878.30 leaving a balance due of \$74,412.60.

After a brief discussion, Ms. Cribbins moved to accept the new 8-inch diameter PVC water main as installed and authorize final payment to K&E Excavating, Inc. in the amount of \$74,412.60. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was set for Thursday, July 16, 2020, at 7:00 a.m.

Updates were given as follows:

- McDaniel Street Water Main Replacement – The design is complete and has been forwarded to the City of North Bend's engineer for review. The project will begin in a few weeks.
- High Service Pump VFD – The VFD was installed by Reese Electric and Taurus will be on site to commission it and do the final set up.
- Flanagan and Oregon Pump Stations – Oregon Pump Station is complete (a pump motor and check valve were replaced); Flanagan Pump Station – The parts have been received and will start within the month.

At 1:17 p.m. Chair Dillard directed they go into executive session for the purposes of discussing potential litigation pursuant to ORS 192.660(2)(h). They returned to open session at 1:39 p.m.

There being no other business to come before the Board, Chair Dillard adjourned the meeting at 1:39 p.m.

Approved: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Chair Robert Dillard

ATTEST: \_\_\_\_\_