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

Minutes	12:00 noon
Budget Committee Meeting	June 4, 2026

The Budget Committee of the Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time for the purpose of reviewing the proposed budget for Fiscal Year 2026-27. Committee members present: Aaron Speakman; Jeff Bridgens; Troy Cribbins (virtually); Patty Scott (virtually); Bill Richardson; Rob Kilmer; Greg Solarz; and Carmen Matthews. Committee members absent: None. Water Board staff present: Ivan Thomas, General Manager; Matt Whitty, Engineering Manager; Jeff Miller, Operations Manager; Monica Kemper, Finance Director; Aimee Hollis, Customer Relations Manager; Jason Mills, Distribution Supervisor; Micah Demanett, Meter Services Supervisor; Junibert Magalona, Accounting Technician; Stacey Parrott, Executive Assistant-HR Specialist; Board Legal Counsel Melissa Cribbins was present (virtually). Media present: none.

Board Chair Bill Richardson opened the meeting at 12:00 noon and led the Board and assembly in the Pledge of Allegiance.

Introductions of the Budget Committee members, council and staff were made.

Board Chair Richardson stated as this was the first Budget Committee meeting for this fiscal year's budget process, it was appropriate to elect a Committee Chair. Mr. Solarz moved to nominate Jeff Bridgens as Budget Committee Chair. The motion was seconded by Mr. Kilmer and passed unanimously.

Budget Committee Chair Jeff Bridgens asked if there were any corrections or additions to the June 20, 2025, Budget Committee Minutes. Mr. Solarz moved the minutes be approved as written. The motion was seconded by Mr. Matthews and passed unanimously.

Budget Committee Chair Bridgens asked if there were any public comments, there were none.

Budget Committee Chair Bridgens asked Mr. Thomas to present the proposed budget.

General Manager Ivan Thomas opened the budget presentation by reviewing the Coos Bay – North Bend Water Board's mission statement, emphasizing the Water Board's commitment to providing reliable, high-quality water service while meeting the present and future needs of the community. Mr. Thomas stated that this mission remains central to every decision made in the budgeting and planning process. Mr. Thomas outlined the agenda for the budget process, noting that the first meeting would focus on the proposed water rate adjustment, long-range planning efforts, operations and maintenance (O&M) costs, debt obligations, and capital improvement needs. He explained that a second Budget Committee meeting would be held to review revenue projections, reserve balances, and other budget components before forwarding a recommendation to the Board of Directors.

Mr. Thomas reviewed the Water Board's budgeting methodology, explaining that operating expenses are developed using historical expenditure trends, anticipated future costs, and industry-standard budgeting practices. Revenue projections are based on a conservative analysis of historical water sales by customer class. He reported that water sales revenues for the current fiscal year are projected to finish approximately $90,000 below budget due to lower-than-expected water consumption.

Mr. Thomas then discussed the proposed rate adjustments for Fiscal Year 2026-27 and the planning efforts that support the recommendation. He noted that the Water Board recently completed a comprehensive Water System Master Plan and a Water Rate and Cost of Service Analysis, the first such analysis conducted since 2002. The Water System Master Plan identified approximately $87 million in capital improvement needs over the next ten years and approximately $190 million in projects over a twenty-year planning horizon. Major projects identified include replacement of the treatment plant clearwell, continued SCADA system modernization, seismic improvements to Merritt Dam, and increased investment in water main replacement throughout the distribution system.

Mr. Thomas explained that the Water Rate Analysis evaluated the revenue necessary to support operations, maintenance, capital improvements, debt obligations, and future infrastructure needs. The analysis also included a Cost of Service Study to determine how costs are distributed among customer classes. Results indicated that residential customers currently contribute a greater proportion of system costs than other customer classes, while commercial, public, and industrial customers contribute less than their proportional share. To address these findings, the Board reviewed several rate implementation alternatives during a series of public meetings and selected a phased approach designed to gradually move customer classes closer to cost-of-service equity while minimizing sudden rate impacts. Under the proposed rate structure, residential customers would receive an 8 percent adjustment in FY 2026-27, while other customer classes would receive a 13 percent adjustment, with phased adjustments continuing through FY 2031-32.

	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Residential	8%	8%	4%	7%	4%	8%	5%
Multi Res.	8%	13%	12%	11%	10%	9%	9%
Commercial	8%	13%	12%	11%	10%	9%	9%
Public/Other	8%	13%	12%	11%	10%	9%	9%
Industrial	8%	13%	12%	11%	10%	9%	9%
Total	8%	8%	8%	8%	8%	8%	8%

Budget Committee members asked questions regarding the cost-of-service analysis, customer classifications, and the long-term implementation strategy. Mr. Thomas explained that the phased approach balances affordability considerations with the need to generate sufficient revenue to fund future capital improvements, maintain system reliability, and address identified infrastructure needs.

Mr. Thomas then reviewed Schedule B, which summarizes the Water Board's operating budget by functional category. He explained that the budget is prepared in accordance with industry-standard utility accounting practices and organizes expenditures into categories such as Source of Supply, Water Treatment, Transmission and Distribution, Customer Accounts, and Administrative and General services. Mr. Thomas noted that fluctuations within individual functional categories do not necessarily reflect increases in overall costs, but often represent shifts in labor, projects, or operational priorities between departments and budget categories.

Mr. Thomas reported that the Water Board's current fiscal year operating budget was approximately $7.7 million, with projected year-end expenditures of approximately $6.7 million. The proposed FY 2026-27 operating budget totals nearly $8.0 million. Including depreciation expense, total operating expenses are projected to exceed $10 million, resulting in a projected net operating income of approximately $1.3 million.

SCHEDULE B

Actual 7/1/24 to 6/30/2025	Current Budget 2025-2026	ITEM	Estimated Year Ending 6/30/2026	Budget Fiscal Year 7/1/26-6/30/27
		OPERATING REVENUE		
		Sale of Water		
6,160,081	6,442,000	Residential	6,374,200	6,871,000
2,184,218	2,281,000	Commercial / Multi-Residential	2,222,100	2,509,300
796,530	827,300	Industrial	887,100	1,002,300
69,019	70,500	Commercial Fire Protection	75,500	81,500
577,030	590,100	Public Authorities	569,800	643,300
50,567	54,900	Public Hydrants	53,900	58,200
48,710	45,400	Other Water Sales	40,900	46,200
9,886,155	**10,311,200**	**Total Water Sales**	**10,223,500**	**11,211,800**
		Other Operating Revenue		
31,064	34,000	Rent from Water Property	33,600	34,000
13,457	2,600	Servicing Customer's Installations	13,200	14,300
226,495	167,600	Misc Water Revenue	241,400	193,100
271,016	**204,200**	**Total Other Operating Revenue**	**288,200**	**241,400**
10,157,171	**10,515,400**	**Total Operating Revenue**	**10,511,700**	**11,453,200**
		OPERATING REVENUE DEDUCTIONS		
		Operating Expenses		
228,883	290,500	Source of Supply	224,200	299,300
483,759	579,800	Power and Pumping	525,600	564,900
1,369,062	1,575,200	Purification	1,317,100	1,649,300
8,540	19,400	Transmission	1,200	13,200
1,819,882	1,914,400	Distribution	1,305,500	1,596,100
1,617,352	1,994,200	Customer Accounting & Collecting	1,949,400	2,365,100
1,313,094	1,411,200	Administrative & General	1,464,800	1,511,700
6,840,571	**7,784,700**	**Total Operating Expenses Excl Depreciation**	**6,787,800**	**7,999,600**
1,976,381	2,015,900	Depreciation	2,100,800	2,142,800
8,816,953	**9,800,600**	**Total Operating Expense**	**8,888,600**	**10,142,400**
1,340,219	**714,800**	**NET OPERATING INCOME**	**1,623,100**	**1,310,800**

Beginning with the Source of Supply functional category, Mr. Thomas reviewed the Water Board's water supply infrastructure, including Joe Ney Reservoir, Upper Pony Creek Reservoir, Merritt Lake, and associated watershed facilities. He discussed the importance of these facilities in providing source water storage, maintaining water quality, supporting drought resiliency, and preserving the Water Board's water rights. Mr. Thomas noted that staff activities within this category include reservoir and dam monitoring, environmental compliance, water rights management, infrastructure maintenance, and coordination with regulatory agencies and partner organizations.

2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2025 - 2026	2026 - 2027
Actual	Actual	Actual	Budget	Est. YE	Budget
$136,959	$162,021	$228,883	$290,500	$224,200	$299,300

Mr. Thomas explained that expenditures within the Source of Supply category are projected to increase slightly in FY 2026-27 due to a planned comprehensive water loss analysis and water audit, continued water rights compliance efforts, and replacement of stream gaging equipment necessary to support the Water Board's water rights program. No questions were raised by the Budget Committee regarding the Source of Supply budget.

Operations Manager Jeff Miller then reviewed the Power Pumping functional category, which includes the facilities and processes required to move water from the Water Board's source reservoirs, through the treatment plant, and into the distribution system. Mr. Miller described the flow of water from Upper Pony Creek Reservoir through Merritt Lake, the treatment plant, and the Water Board's storage and pumping facilities before delivery to customers. He explained that staff continually evaluates opportunities to improve pumping efficiency through equipment maintenance, pump replacement planning, leak detection efforts, and operational improvements designed to reduce energy consumption. Mr. Miller noted that power costs for the current fiscal year were lower than anticipated, contributing to expenditures below budget; however, the proposed FY 2026-27 budget includes additional funding to account for expected increases in utility rates.

2022 - 2023	2023 - 2024	2024 - 2025	2025 – 2026	2025 - 2026	2026 - 2027
Actual	Actual	Actual	Budget	Est. YE	Budget
$396,032	$442,558	$483,759	**$579,800**	**$525,600**	**$564, 900**

Mr. Miller then reviewed the Water Treatment and Laboratory Services functional categories. He highlighted the responsibilities of treatment plant staff in maintaining regulatory compliance, producing safe drinking water, and operating the treatment facility on a continuous basis throughout the year. During the previous year, the treatment plant produced approximately 1.25 billion gallons of water, averaging 3.4 million gallons per day. He noted that treatment plant operators perform extensive water quality monitoring and testing to ensure compliance with state and federal drinking water standards and that the Water Board's laboratory remains accredited to perform microbiological testing and reporting.

Mr. Miller also reviewed several recently completed projects, including installation of a SolarBee lake circulation system at Merritt Lake, replacement of rooftop HVAC equipment at the treatment plant, acquisition of emergency chemical feed equipment, installation of a stream current monitor, and replacement of laboratory sterilization equipment. Planned projects for FY 2026-27 include installation of maintenance gantries and ladders within treatment basins, replacement of chlorine monitoring equipment, acquisition of a utility terrain vehicle for watershed and dune monitoring activities, and purchase of a mobile emergency water treatment unit designed to provide potable water during emergency situations. Committee members discussed the emergency treatment unit and its potential use following a major natural disaster or seismic event. Staff explained that the unit would provide an initial emergency response capability and could be deployed at various locations throughout the Water Board's service area.

In reviewing the proposed Water Treatment budget, Mr. Miller explained that increases are primarily attributable to cost-of-living adjustments, staffing needs, certification pay, anticipated increases in chemical and supply costs, and market uncertainties affecting treatment chemicals and other materials. He also noted that current-year expenditures are projected to finish below budget due to lower-than-anticipated power costs and a vacant treatment plant position.

2022-23	2023-24	2024-25	2025-26	2025-26	2026-27
Actual	Actual	Actual	Budget	Est. YE	Budget
$1,259,083	$1,381,664	$1,369,062	**$1,575,200**	**$1,317,100**	**$1,649,300**

Meter Services Supervisor Micah Demanett reviewed the Meter Services functional category. He explained that the department consists of five employees responsible for meter reading, field customer service, account activations and closures, meter replacement activities, and administration of the Water Board's cross-connection control program. During the previous year, staff opened more than 2,000 customer accounts, closed approximately 2,000 accounts, completed temporary water shutoffs at customer request, and responded to more than 2,300 potential leak investigations as part of the Water Board's proactive customer service efforts.

Mr. Demanett reported that the Water Board currently maintains approximately 14,000 water meters, including roughly 9,000 automated meter reading (AMR) meters and approximately 5,000 manually read meters. He emphasized the importance of meter accuracy, noting that water and sewer charges are based directly on metered consumption. Staff regularly tests both small and large meters in accordance with industry standards to ensure accurate billing and reliable system performance.

Mr. Demanett provided an update on the Water Board's AMR meter replacement program, which began in 2022. Approximately two-thirds of the Water Board's meters have now been converted to AMR technology. He explained that the program has significantly improved operational efficiency by reducing labor associated with manual meter reading while increasing billing accuracy and providing customers with detailed water usage information. The Water Board recently transitioned meter installations from an outside contractor to in-house staff and is currently replacing meters on a billing-cycle basis, allowing for a complete system-wide meter replacement approximately every twelve years.

Mr. Demanett also reviewed the Water Board's Cross-Connection Control Program, which ensures compliance with state drinking water regulations through inspections, backflow prevention requirements, annual testing, and customer outreach. He reported that the Water Board currently tracks approximately 1,800 backflow prevention assemblies and is implementing new software to improve recordkeeping, streamline testing documentation, and enhance customer communications.

Budget Committee members asked questions regarding meter lifespan, AMR implementation, and backflow prevention devices. Mr. Demanett explained that modern water meters are generally expected to remain accurate for approximately 15 to 20 years and that the Water Board's replacement schedule will allow meters to be replaced before accuracy significantly declines. He also discussed common causes of meter failure and noted that AMR technology will eventually be utilized throughout the entire water system.

Customer Relations Manager Aimee Hollis then reviewed the Customer Service and Utility Billing functional category. Ms. Hollis explained that the department oversees customer account services, utility billing operations, and Meter Services. Customer Service Representatives are responsible for opening and closing accounts, responding to customer inquiries, processing billing requests, and coordinating work orders with field staff, while billing personnel review account information, process utility bills, and manage paper and electronic bill distribution.

Ms. Hollis reported that during the previous fiscal year staff processed nearly 14,500 service requests and handled more than 22,000 customer phone calls. The Water Board also generated approximately 335,000 paper utility bills and nearly 28,000 electronic bills. She reviewed customer payment trends, noting that credit and debit card transactions continue to represent the largest share of payments received and remain the most costly payment method to process. Ms. Hollis provided an update on the Water Board's transition from CivicPay to Xpress Bill Pay. She explained that the new platform offers additional customer conveniences, including a mobile application, expanded automatic payment options, improved integration with the Water Board's billing software, and reduced manual processing requirements for staff. Staff noted that the new system will improve efficiency, reduce opportunities for data entry errors, and provide customers with greater flexibility in scheduling payments.

Ms. Hollis also reviewed the Water Board's full-sheet billing program and associated mailing costs. She reported that the average cost to print and mail a utility bill is approximately $0.98 per bill and noted that postage costs are expected to increase during the coming fiscal year. The full-sheet billing format continues to provide opportunities for customer communication through bill inserts, including Water Board informational materials and notices from local city partners.

Regarding the proposed FY 2026-27 budget, Ms. Hollis explained that increases are primarily related to labor and benefit costs, reallocation of certain meter service activities within departmental budgets, and anticipated increases in credit card processing fees. Budget Committee members discussed customer payment trends, electronic billing participation, and opportunities to encourage greater use of paperless billing. Staff noted that customer payment patterns have remained generally consistent and that expanded electronic payment options may increase adoption of electronic billing in the future.

2022-23	2023-24	2024-25	2025-26	2025-26	2026-2027
Actual	Actual	Actual	Budget	Est YE	Budget
$1,361,514	$1,522,017	$1,617,352	**$1,994,200**	**$1,949,400**	**$2,365,100**

Distribution Supervisor, Jason Mills reviewed the Distribution and Transmission functional category and discussed the department's responsibility for maintaining the reliability of the Water Board’s water distribution system. He explained that distribution staff provide 24-hour emergency response to water main breaks and service disruptions, maintain water mains, service lines, fire hydrants, reservoirs, and pump stations, address water quality issues in the field, support capital improvement projects, and perform watershed and facility maintenance activities. Mr. Mills noted that the Water Board's distribution system includes approximately 260 miles of water mains, 34 pump stations, 19 reservoirs, numerous service connections, valves, and hydrants, and serves customers from Hauser to Millington and from the Charleston area to the eastern city limits.

Mr. Mills reported that a staffing analysis completed during the previous year identified the need for three additional positions within the Distribution Department. The additional staffing has reduced employee on-call demands, expanded year-round system flushing and water quality programs, improved valve maintenance and leak detection efforts, and increased the department's ability to support capital improvement projects. He reviewed the department's current staffing structure and described the responsibilities of utility workers, crew leaders, and technical staff responsible for maintaining the Water Board's distribution infrastructure.

Mr. Mills highlighted several significant maintenance and emergency response projects completed during the year, including repair of a major water main break on Newmark Avenue, emergency response to a landslide that exposed a transmission main along Cape Arago Highway, replacement of aging service lines, maintenance of Water Board properties and watershed facilities, reservoir cleaning and inspections, and ongoing pump station maintenance. He noted that staff continue to address aging infrastructure and proactively replace facilities and materials when deficiencies are identified.

Mr. Mills also reviewed planned projects and equipment purchases for FY 2026-27, including water main replacement projects, pump station improvements, reservoir maintenance, acquisition of a dump truck, asphalt planer attachment, and roller, and continued participation in the Water Board's tank asset management program. He discussed the recent completion of the High Level Reservoir roof replacement project and the operational challenges associated with maintaining service while the reservoir was temporarily removed from service. Committee members asked questions regarding reservoir seismic resiliency and long-term infrastructure replacement planning. Staff explained that seismic considerations continue to be incorporated into future capital planning efforts and facility evaluations.

In reviewing the proposed budget, Mr. Mills explained that current-year expenditures are projected to finish below budget due to staffing vacancies, shifts in work allocation between departments, and labor charged to capital projects. The proposed FY 2026-27 budget reflects adjustments for labor and benefit costs while continuing to support system maintenance, emergency response, and capital improvement activities. He also noted that transmission main expenditures primarily support maintenance of facilities within the sand dunes, including right-of-way maintenance, inspections, and repairs as needed.

2022-23	2023-24	2024-25	2025-26	2025-26	2026-27
Actual	Actual	Actual	Budget	Estm. YE	Budget
$1,110,154	$1,369,825	$1,819,882	**$1,914,400**	**$1,305,500**	**$1,596,400**

Finance Director Monica Kemper reviewed the Administrative and General functional category, which includes general office operations, audit and legal services, property and casualty insurance, facility maintenance, and other administrative support functions. Ms. Kemper introduced the Finance Department staff and explained that the current-year budget for this category is approximately $1.4 million, with year-end expenditures projected to finish slightly above budget. The proposed FY 2026-27 budget is approximately $1.5 million, with increases primarily attributable to labor and benefit costs, cost-of-living adjustments, insurance premiums, and general operating expenses.

2022-23	2023-24	2024-25	2025-26	2025-26	2026-2027
Actual	Actual	Actual	Budget	Estm YE.	Budget
$1,176,554	$1,185,584	$1,313,094	**$1,411,200**	**$1,464,800**	**$1,511,700**

Ms. Kemper also reviewed depreciation expenses and asset management practices. She explained that depreciation is estimated at approximately $2.1 million for budgeting purposes and is adjusted annually based on actual asset additions and retirements recorded during the fiscal year. Asset depreciation schedules are established according to asset type and expected service life.

	2023-24	2024-25	2025-26	2025-26	2026-27
	Actual	Actual	Budget	Estm. YE	Budget
	$1,877,690	$1,976,381	**$2,015,900**	**$2,100,800**	**$2,142,800**

Turning to Schedule C, Ms. Kemper reviewed interest revenues and other income and deduction categories. She reported that interest earnings have once again exceeded budget expectations due to interest rates remaining higher than anticipated. However, the proposed FY 2026-27 budget conservatively assumes a significant reduction in interest income should market rates decline during the year. She also reviewed sewer surcharge revenues collected on behalf of the Cities of Coos Bay and North Bend and explained that the recently renewed intergovernmental agreements now base the Water Board's billing and collection fee on actual costs, which will be reconciled annually with each city.

SCHEDULE C

Actual 7/1/24 to 6/30/2025	Current Budget 2025-2026	ITEM	Estimated Year Ending 6/30/2026	Budget Fiscal Year 7/1/26-6/30/27
		OTHER INCOME		
329,546	221,500	Interest Revenues	324,200	243,200
1,431,078	19,000	Misc Non-Operating Revenues	-	19,000
12,894,486	13,680,600	Sewer / City Fees Collected	13,323,700	13,904,800
193,671	197,100	Sewer/City Fees Billing & Collecting Fee	197,100	272,500
14,848,781	**14,118,200**	**Total Other Income**	**13,845,000**	**14,439,500**
16,188,999	**14,833,000**	**TOTAL INCOME**	**15,468,100**	**15,750,300**
		INCOME DEDUCTIONS		
230,570	191,900	Interest on Long Term Debt & Other Interest	191,900	176,200
13,185	-	Amortization of Bond Discount & Expense	-	-
12,825,590	13,680,600	Sewer / City Fees Remitted	13,323,700	13,904,800
13,069,344	**13,872,500**	**Total Income Deductions**	**13,515,600**	**14,081,000**
3,119,655	**960,500**	**NET INCOME FOR THE YEAR**	**1,952,500**	**1,669,300**

Ms. Kemper further reviewed debt service obligations and noted that the Water Board expects to retire approximately $561,000 in debt during FY 2026-27, reducing outstanding debt to approximately $3.4 million. She explained that future borrowing is anticipated to support major capital improvement projects identified in the Water System Master Plan, including treatment, storage, and distribution system improvements. Committee members inquired about future debt issuance plans, and staff explained that project-specific financing strategies will be developed as capital projects advance through planning and design.

Engineering Manager Matt Whitty reviewed the Engineering functional category and the proposed Capital Improvement Program for FY 2026-27. Mr. Whitty explained that the Engineering Department consists of three employees responsible for watershed management, timber management activities, capital project planning and design, utility locating, construction inspection, developer coordination, water service investigations, records management, and maintenance of the Water Board's geographic information system (GIS). He noted that the department provides in-house design, bidding, construction management, and inspection services for many of the Water Board's water main replacement projects.

Mr. Whitty provided an overview of the Water Board's watershed holdings and timber management program. He reviewed the Water Board's long-term timber harvest strategy, explaining that timber revenues are used to supplement funding for capital improvement projects and watershed management activities. He discussed recent timber sales, including the Water Board's most recent sale, which generated approximately $1.5 million in net revenue and significantly exceeded original projections. He noted that the Water Board continues to focus on maintaining a balanced age distribution of timber stands while protecting water quality and watershed resources.

Mr. Whitty also reviewed the Water Board's asset management efforts, including inspections of reservoirs, pump stations, dams, water mains, and transmission facilities. He explained that engineering staff track water main leaks and breaks as part of the Water Board's infrastructure replacement planning process. Historical data indicate that water main failures and associated repair costs have increased over time, reinforcing the need for continued investment in system replacement and rehabilitation projects.

The proposed Engineering Department budget reflects a modest increase from the prior year and includes continued support for development review, construction inspection, utility coordination, and capital project delivery. Mr. Whitty noted that private development activity remained strong during the year, resulting in increased inspection and project management responsibilities for engineering staff.

2024-25	2025-26	2025-26	2026-27
Actual	Budget	Estm. YE	Budget
$589,851	$600,500	$593,400	**$620,300**

Mr. Whitty then reviewed the proposed FY 2026-27 Capital Improvement Program. Planned projects include approximately $1.3 million in water main replacement projects, continued participation in the steel tank asset management program, upgrades to the Wisconsin Pump Station, treatment plant improvements, transmission system maintenance, and construction of a new storage building to protect pipe, fittings, and other materials from weather-related deterioration. He also highlighted the successful completion of the Transmission Tunnel Rehabilitation Project, which established a future replacement pathway for a critical transmission main and addressed long-term structural concerns within the tunnel.

Mr. Whitty reviewed the capital budget summary proposed for the coming fiscal year 2027:

Water main replacement projects:	$1,349,800
Reservoir projects:	$ 121,000
Pump station projects:	$ 59,000
Pony Creek Treatment Plant projects:	$ 256,000
Mission RTU Bundle/SCADA Design:	$ 566,200
Meter replacement program:	$ 436,000
Miscellaneous projects:	$ 809,500
Total FY23-24 Capital Project Budget:	$3,597,500

Mr. Whitty reviewed some major water main projects proposed for the coming fiscal year:

- Koosbay Blvd 2,100’ 8” DI $ 808,500
- Flanagan Road 1,250’ 8” DI $ 249,700
- Arago 490’ 6” PVC $ 111,100
- Milligan 260’ 6” PVS $ 92,400

- Everett 300’ & Marion 250’ 2” PVC $ 60,000
- N 16th Ct 180’ 2” PVC $28,100

$1,349,800

Additional discussion focused on the Water Board's project delivery methods, coordination with local agencies, and ongoing partnerships with the Cities of Coos Bay and North Bend, the Confederated Tribes, and the Oregon Department of Transportation. Mr. Whitty highlighted several cooperative projects completed during the year, including utility coordination associated with roadway improvements, emergency infrastructure repairs, and a generator replacement project serving the Terramar area. He also discussed upcoming coordination efforts related to statewide curb ramp and highway improvement projects scheduled within the Water Board's service area.

Following completion of the budget presentations, Mr. Thomas invited questions and comments from the Budget Committee. Discussion focused on projected increases in employee health insurance costs through the Water Board’s insurance provider. Committee members inquired whether the anticipated increases were specific to the Water Board or reflective of broader statewide trends. Staff explained that the increases are experienced across participating agencies and that the Water Board continually evaluates available benefit options as part of its budgeting process. It was further noted that the Water Board's collective bargaining agreements require review of alternative options when health insurance costs exceed specified thresholds.

Budget Committee Chair Jeff Bridgens thanked staff for their presentations and expressed appreciation for the thorough and informative overview of the Water Board's operations and budget. He commended staff for their expertise and noted that the presentations highlighted the extensive work required to maintain a reliable water system beyond what customers typically see. Committee members also expressed appreciation for the efforts of the Water Board staff and the quality of the information presented.

There being no further business to come before the Budget Committee, Chair Bridgens reminded the Budget Committee the next meeting was scheduled for Thursday, June 18, 2026, at 12:00 noon. The meeting adjourned at 2:11 p.m.

Approved___June 18___, 2026 By ________________________________

Jeff Bridgens
Budget Committee Chair

ATTEST ____________________