

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

Minutes  
Regular Board Meeting

June 4, 2020  
1:30 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: Melissa Cribbins, Greg Solarz and Dr. Charles Sharps. Board members absent: None. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Supervisor; Jeff Page, Operations Manager; Jeff Howes, Finance Director; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was absent. Ed Ellingsen and Spencer Gordon from Nasburg Huggins Insurance Agency were present. Media present: None. Chair Dillard opened the meeting at 1:30 p.m.

Chair Dillard asked if there were any corrections or additions to the May 21, 2020 Regular Board meeting minutes. Dr. Sharps moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

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

Regarding the proposed renewal of the SAIF Workers' Compensation Insurance for FY20-21, Mr. Thomas stated the estimate for workers' compensation in FY 2019-2020 was closed at \$27,533. The 2020-2021 proposal illustrates a price decrease of \$6,097 for a total estimate of \$21,436. The price decrease is in direct relation to the National Council on Compensation Insurance pricing changes for the water utility rates. The Water Board's modification (mod) rate is increasing from .64 to .68, a .04 point increase. The mod rate is based on the latest 3 year history of workers' compensation claims and projected payroll for the coming year. Nasburg Huggins is the Water Board's current agent for workers' compensation insurance. SAIF Corporation is the current provider of workers' compensation insurance.

Workers' compensation insurance services for FY 2020-2021 will be effective July 1, 2020. Premiums will be billed applicable to the service dates within the same year and the utility will receive a 3.5% discount for paying the premium in advance. The premium is included in the FY 2020-2021 budget.

Mr. Thomas introduced Ed Ellingsen and Spencer Gordon from Nasburg Huggins Insurance Agency. Mr. Ellingsen stated the SAIF Workers' Compensation renewal is less than last year. Mr. Ellingsen noted over the course of ten years at one time the Water Board had a modification factor of 1.6 and a premium of \$60,000 per year, and since that time a lot of changes have taken place. The utility now has a modification rate of .68 which is minimal in the utility's claims

experience and it is very commendable for a public entity to have a modification rate below 1.00. Mr. Ellingsen recommended the Board accept the SAIF proposal and continue utilizing the risk management resources that are brought to the utility by local SAIF risk management who can help with any safety related issues that staff may have questions about or need help with. After a brief discussion, Dr. Sharps moved to authorize the General Manager to sign the SAIF Workers' Compensation agreement for FY 2020-2021 in an amount not to exceed \$21,436. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding renewal of the CIS Property and Liability proposal to secure property and liability insurance services for FY 2020-2021, Mr. Ellingsen stated the CIS program is a very established and well run organization which the Water Board has been a part of for at least 20 years. CIS covers the property, auto and liability coverage and does an excellent job. The FY 2020-2021 proposed premium cost with a multiline credit is \$129,272.88. This is an increase of \$5,872 from FY 2019-2020. The increase is approximately 4.0%, most of which is driven by the increase in the property values which are now up to \$70,000,000. The Water Board's experience is excellent and very commendable. The average loss ratio is 8 percent for the last six years which is excellent for a public entity. Mr. Ellingsen complimented the Board stating there has been a lot of effort made to have a safe work place at the Water Board.

Property and liability insurance services for FY 2020-2021 will be effective July 1, 2020. Premiums will be billed applicable to the service dates within the same year. The premium is included in the FY 2020-2021 budget.

Mr. Dillard asked if the value of \$70,000,000 includes the distribution system. Mr. Ellingsen stated the distribution system is not included. The coverage includes the pump facilities but not the underground utilities. The underground utilities have never been included in the past. Mr. Thomas stated everything in the Water Treatment Plant is covered.

After a brief discussion, Ms. Cribbins moved to authorize the General Manager to sign the CIS Property and Liability proposal to secure property and liability insurance service renewals for FY 2020-2021 at a proposed cost of \$129,272.88. The motion was seconded by Dr. Sharps and passed unanimously.

Mr. Ellingsen announced he will be retiring at the end of this year and has enjoyed serving the Water Board for the last 10 years. Spencer Gordon will be replacing Mr. Ellingsen. Mr. Gordon is a co-owner of the agency, Vice President of Operations, an account executive and a certified insurance counselor. Deb Fidone will continue to serve the team in managing the accounts. The Board congratulated Mr. Ellingsen and thanked him for his years of working with the Board. Mr. Gordon stated he is looking forward to serving the Water Board.

Updates were given as follows:

- High Service Pump (VFD)- The pump has been delivered and Reese Electric will be contacted to hook it up.
- Nutria Removal – One nutria has been removed and staff has been told there is not a population of nutria at the site at this time.
- North 15<sup>th</sup> Street Water Main Replacement – Project is complete with the exception of patching that needs to be done.

- McDaniel Street – Survey will be done in the next week.
- Madrona Street – Project is complete.
- McCullough Bridge Painting – Project is going well.

At 1:50 p.m. Chair Dillard directed they go into executive session for the purpose of discussing potential litigation pursuant to ORS 192.660(2)(h). They returned to open session at 2:05 p.m. There being no other business to come before the Board, Chair Dillard adjourned the meeting at 2:05 p.m.

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

By: \_\_\_\_\_  
Chair Bob Dillard

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