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

Minutes
Regular Board Meeting

May 21, 2026
7:00 a.m.

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Vice Chair Rob Kilmer presiding. Other Board members present: Greg Solarz and Carmen Matthews. Board Members absent: Bill Richardson. Water Board staff present: Ivan D. Thomas, General Manager; Matt Whitty, Engineering Manager; Monica Kemper, Finance Director; Aimee Hollis, Customer Relations Manager; and Stacey Parrott, Executive Assistant & HR Specialist. Board Legal Counsel Melissa Cribbins was present. Leah Cogan from GSI was present (virtually); Dan Draper, Freelin Reasor, and Meagan Abele from Coos Watershed Association were present. Nichole Rutherford, City Manager with the City of Coos Bay, was present. Media present: None.

Vice Chair Kilmer opened the meeting at 7:00 a.m. and led the Board and assembly in the Pledge of Allegiance.

Vice Chair Kilmer asked if there were any corrections or additions to the May 7, 2026, Regular Board meeting minutes. Mr. Solarz moved the minutes be approved as written. The motion was seconded by Mr. Matthews and passed unanimously.

Vice Chair Kilmer asked if there were any public comments and there were none.

Regarding the Fiscal Year 2027 Amendment of Professional Services Agreement and Scope of Work with GSI Water Solutions, Inc. General Manager Ivan Thomas explained that GSI continues to assist the Water Board with annual reporting requirements, management of water rights permits, water conservation benchmarking, and implementation of the Water Board's Surface Water Monitoring Plan.

Mr. Thomas stated that the proposed scope of work includes preparation of the annual Surface Water Monitoring Report, support for the 10 Mile Creek Water Use Permit, ongoing water rights analysis and management, and assistance with the District's Water Management and Conservation Plan. He noted that a significant component of the FY 2027 scope of work is a comprehensive water loss assessment. Because the Water Board's calculated water loss is slightly above the Oregon Water Resources Department's 10 percent threshold, the Water Board is required to complete a more detailed analysis of water loss within the system.

Leah Cogan of GSI Water Solutions participated remotely and reviewed the proposed work program. She reported that GSI has become more efficient in preparing the Water Board's annual reports and monitoring documentation since the approval of the Water Board's Special Use Permit. Ms. Cogan noted that although the previous year was relatively dry, the Water Board remained within management criteria and continues to maintain compliance with water use requirements. She also reported that approval of the

Water Management and Conservation Plan by the Oregon Water Resources Department provided the Water Board with access to the full water allocation associated with Upper Pony Creek Reservoir. Ms. Cogan explained that the proposed water loss assessment will identify potential causes of water loss and evaluate whether discrepancies are related to physical losses within the system, such as leaks, or administrative factors such as meter accuracy and billing practices. She noted that many water systems throughout Oregon exceed the 10 percent threshold and reported that the Water Board's water loss rate of approximately 11.4 percent is comparatively low.

Board members discussed water loss trends among water systems statewide and the Water Board's ongoing efforts to reduce water loss through meter replacement, leak detection, and system maintenance. Mr. Thomas noted that many of the practices typically recommended through a water loss management plan are already being implemented by the Water Board.

Following discussion, Mr. Solarz moved to authorize the General Manager to enter into an amended professional services agreement with GSI Water Solutions, Inc. in an amount not to exceed $78,600 for Dunal Aquifer and water rights consulting services for fiscal year 2027. The motion was seconded by Mr. Matthews and passed unanimously.

Regarding the proposed scope of work and contract with Coos Watershed Association for environmental monitoring services for fiscal year 2027, Mr. Thomas explained that, similar to the Water Board's agreement with GSI Water Solutions, the contract supports the ongoing environmental monitoring obligations and water rights commitments. Mr. Thomas stated that the proposed scope of work includes operation and maintenance of stream gaging stations, vegetation monitoring, habitat photo monitoring, fisheries monitoring, and reporting activities required under the Water Board's Fisheries Management Plan and water rights permits. He also noted that replacement of aging gaging equipment at the Ten Mile Creek monitoring station is planned during the upcoming fiscal year.

Dan Draper of Coos Watershed Association provided an overview of the proposed work program and introduced Meagan Abele, who will assume responsibility for portions of the monitoring program as part of a transition in staff responsibilities. Mr. Draper explained that Coos Watershed Association has been working to complete monitoring activities associated with the Matson Creek project and reported that the current year represents the final year of AQI-related monitoring requirements. He stated that seasonal snorkel surveys are currently underway to document fish use, distribution, and abundance within the project area and noted that only limited photo monitoring may remain following completion of the current monitoring cycle. He went on to explain that future monitoring efforts will focus primarily on annual stream gaging activities, fisheries reporting, and periodic vegetation monitoring requirements. He also discussed factors contributing to the proposed contract increase, including staff salary adjustments and an increase in the organization's indirect cost rate.

After additional discussion, Mr. Matthews moved to authorize the General Manager to enter into the FY 2027 contract with Coos Watershed Association for the proposed environmental monitoring and reporting in an amount not to exceed $80,999. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding the proposed award of bid for Isthmus and South Slough cathodic protection ground bed installation project, Engineering Manager Matt Whitty, presented the bid results for the project. He explained that the project will replace aging cathodic protection systems that protect two critical 12-inch water transmission mains crossing Isthmus Slough and South Slough. Mr. Whitty stated that the existing anodes and rectifiers have reached the end of their useful life and require replacement to continue protecting the pipelines from corrosion. He reported that the project was originally advertised for bids in June 2024; however, no bids were received due to the challenging construction conditions associated with the required in-water work window. Staff subsequently worked with the Oregon Department of Fish and Wildlife to obtain a waiver allowing construction during summer low-tide periods, making the project more feasible for contractors. Following the second solicitation, bids were received from Papaya Contracting, LLC and SLE, Inc. as listed below:

Name of Bidder	**South Slough**	**Isthmus Slough**	**Total Bid**
Papaya Contracting, LLC	$198,000.00	$149,295.00	**$347,295.00**
SLE, Inc.	$1,349,000.00	$650,000.00	$1,999,000.00

Staff recommended award of the project to Papaya Contracting, LLC in the amount of $347,295. Although the bid exceeded the original project budget, Mr. Whitty explained that the contractor identified an alternative construction approach that would eliminate the need for a barge and reduce overall project complexity. He further noted that notice of intent to award had been issued and the protest period had expired without challenge.

Board members discussed the project cost, engineering expenses, and the use of reserve funds to cover the additional project costs. Questions were raised regarding the percentage of engineering costs associated with the project and the long-term impact of increasing capital expenditures on finances. Staff explained that the project required extensive permitting, specialized engineering, and a second bidding process, all of which contributed to the overall cost. Mr. Thomas noted that several recent capital projects had been completed below budget, generating savings that would help offset the additional expense. He also reported that debt retirement savings and available capital reserves provided sufficient funding flexibility to complete the project. Mr. Whitty emphasized that the cathodic protection systems preserve critical water transmission infrastructure and that replacement of the crossings themselves would cost substantially more than maintaining the existing facilities.

Following discussion, Mr. Matthews moved to authorize expenditure of additional funds to complete the project and award the Isthmus and South Slough cathodic protection ground bed installation to Papaya Contracting, LLC in the amount of $347,295. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding the proposed award of bid for Terramar generator replacement project, Mr. Whitty explained that the existing generator serving the Terramar Pump Station has reached the end of its useful life and is no longer operational. The pump station serves approximately 150 homes in the Radar Hill area and provides water service to the Confederated Tribes' administrative offices, medical clinic, and dental facility. Mr. Whitty noted that during power outages, customers served by the pump station currently lose water service due to the lack of backup power.

Mr. Whitty reported that the Confederated Tribes secured grant funding of approximately $153,000 to assist with replacement of the generator. Following a rebid process, four bids were received, with Kyle Electric submitting the lowest responsive bid in the amount of $166,700. Staff requested authorization to expend additional funds necessary to complete the project and award the contract to Kyle Electric. Bid results are as follows:

Bid Results:

- Kyle Electric, Inc. – $166,700 (Lowest Responsive Bid)
- Coos Excavation, Inc. – $168,608
- Cedar Electric – $168,830
- APEX Mechanical, LLC – $222,600

After brief discussion, Mr. Solarz moved to authorize expenditure of additional funds to complete the project and award the Terramar generator replacement project to Kyle Electric in the amount of $166,700. The motion was seconded by Mr. Matthews and passed unanimously.

Regarding the approval of the Springbrook Software annual maintenance invoice, Finance Director Monica Kemper explained that the Water Board is currently transitioning from CivicPay to Xpress Bill Pay and noted that the conversion process had recently begun. Because Springbrook was unable to provide an updated invoice excluding CivicPay related services, staff reviewed and adjusted the invoice accordingly. Ms. Kemper reported that the proposed annual subscription cost represents an increase of approximately 6.5 percent over the previous year, which is consistent with inflationary trends and comparable industry cost increases and recommended approval of the annual maintenance invoice.

Mr. Solarz moved to approve the Springbrook annual subscription invoice in the amount of $64,312.79. The motion was seconded by Mr. Matthews and passed unanimously.

Regarding the approval and authorization of the secondary access road for Gateway Oasis subdivision, also known as Timber Cove, LLC within the watershed district, Mr. Thomas explained that staff had reviewed the engineering plans provided by the City of Coos Bay and determined that stormwater associated with the proposed roadway would not drain into the watershed from the affected property. Based on that review, staff recommended approval of the request.

Nicole Rutherford, City Manager for the City of Coos Bay, addressed the Board and explained that the proposed roadway is required to satisfy fire code requirements for secondary access to the subdivision. She noted that completion of the development is expected to provide approximately 400 new housing units within the community and would result in additional customers being served by the Water Board. Ms. Rutherford expressed appreciation for the Board's continued efforts to protect the watershed while working cooperatively with local agencies to support community growth and housing needs.

Board members discussed the future use of the roadway and questioned whether it may eventually function as a primary access route rather than a secondary access route. Ms. Rutherford clarified that the roadway is being constructed to satisfy fire code requirements for secondary emergency access and that a primary access route already exists. Staff reiterated that the request before the Board pertained to the fire code-required secondary access route and that the proposed roadway would not adversely affect the watershed based on the plans reviewed.

Following discussion, Mr. Matthews moved to authorize the City of Coos Bay in conjunction with developer Timber Cove LLC, to construct the final secondary access road for Gateway Oasis subdivision in its proposed location within the watershed district. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding the proposal from Crow/Clay & Associates, Inc. for architectural design services associated with a planned remodel of the Administration and Engineering areas of the Water Board Service Center, Mr. Thomas explained that staff recently identified the need for additional office space and improved work areas within the Service Center, particularly to accommodate the growing responsibilities of the Human Resources function and to provide private space for confidential meetings and personnel discussions.

Mr. Thomas stated that while the existing building appears limited in available space, staff determined that reconfiguration of portions of the Administration and Engineering areas could create additional office space through interior remodeling and relocation of existing workstations. He noted that no preliminary design has been completed and that the proposed contract would provide professional architectural services to evaluate alternatives and prepare design documents for the project.

The proposed scope of work includes architectural design, preparation of bid documents, bidding assistance, and construction administration services. Crow/Clay & Associates submitted a proposal in the amount of $18,450 for these services. Mr. Thomas noted that staff anticipates including approximately $120,000 for construction costs in the proposed FY 2027 Capital Improvement Program, resulting in a total estimated project cost of approximately $140,000, including design services.

Board members discussed the proposed office reconfiguration and the need to better utilize available space within the Service Center. Staff explained that the project would improve functionality within the Administration and Engineering areas while allowing for future organizational growth and operational needs.

Following discussion, Mr. Matthews motioned to authorize the General Manager to enter into a Professional Services Contract with Crow/Clay & Associates in the amount of $18,450 for architectural design services for the Water Board Service Center administration and engineering area remodel. The motion was seconded by Mr. Solarz and passed unanimously.

The Board's next regular meeting was scheduled for Thursday, June 18th, 2026, at 1:30 p.m.

Updates were given as follows:

- Xpress Bill Pay - the new Xpress Bill Pay platform is now operational, and customers have begun receiving notifications and instructions for establishing new accounts. CivicPay and Xpress Bill Pay will operate concurrently for a limited time to allow customers to transition to the new system before CivicPay services are discontinued. Staff reported that more than 500 customers enrolled in Xpress Bill

Pay during the first week of implementation. The new platform provides additional features, including a mobile application, enhanced account management tools, expanded automatic payment options, and the ability to schedule payments directly from a checking account. Customers who already utilize Xpress Bill Pay through other local agencies may add their Water Board account to an existing profile.

Board members discussed customer adoption of the new platform and the additional functionality available through the system. Staff noted that customer response has generally been positive and that the new platform offers a more modern payment experience while improving operational efficiency and reducing payment processing costs.

- FY25 Water Main Bundle – it was reported that work has begun on the Harris Avenue portion of the project and is progressing as planned. During construction, crews discovered an abandoned fire hydrant that had been buried and covered many years earlier. Further investigation revealed that the hydrant remained connected to an abandoned wood stave water main located directly within the alignment of the new water main installation. Approximately 180 feet of the historic wood stave pipe was removed during construction activities. Staff noted that the discovery provided an interesting glimpse into the Water Board's early infrastructure and highlighted the age and complexity of portions of the water system. The removed pipe consisted of a wood main reinforced with steel bands, a construction method commonly used in earlier water systems.

  Also, during excavation activities near 15th Street and Myrtle Avenue, crews discovered an unidentified underground steel tank approximately three feet in diameter and nine feet in length. Further investigation revealed that an existing natural gas service line had previously been bored directly through the tank. Northwest Natural was notified and installed a temporary bypass line to maintain gas service while the tank was removed. Staff reported that the tank contained only a small amount of water and no hazardous materials were identified. The contractor successfully removed the tank and construction activities resumed with minimal delay.

  Staff reported that neither discovery significantly impacted project progress and noted that encounters with abandoned infrastructure are not uncommon during utility construction projects, highlighting the age and complexity of portions of the Water Board's water system.

- Englewood Terrace Subdivision Water Installation - a proposed subdivision development located at the former Englewood School property includes construction of approximately 30 residential units consisting of a mix of multi-family buildings and condominium-style housing. Staff reported that the development plans have been reviewed and approved following several revisions; however, the developer had not submitted the contractor qualifications required for utility installation.

  To avoid potential project delays, discussions were held regarding the Water Board completing the water system improvements associated with the development. Staff prepared a detailed cost estimate and are working on an agreement with the developer for construction of the required water infrastructure. Additional discussion occurred regarding project access, which will be provided from Pennsylvania Avenue, and fire protection requirements within the development. Staff noted that a special agreement will be required to address fire flow needs and water service sizing for the project.

At 08:01 a.m. Vice Chair Kilmer directed they go into executive session for the purpose of discussing personnel issues pursuant to ORS 192.660(2)(a) and potential litigation pursuant to ORS 192.660(2)(h).

The Board returned to regular session at 8:17 a.m. and there being no other business to come before the Board, Vice Chair Kilmer adjourned the meeting.

Approved: __June 18___, 2026 By: ________________________
Bill Richardson, Chair

ATTEST: __________________