



# BOARD OF WATER COMMISSIONERS MINUTES

Wednesday, February 3, 2021

Via teleconference

The regular meeting of the Medford Water Commission was called to order at 12:16 p.m. on the above date via teleconference with the following commissioners, staff, and guests present:

Acting Chair Daniel Bunn; Commissioners John Dailey and Bob Strosser; Commissioners Jason Anderson and Michael Smith were absent

General Manager Brad Taylor; Executive Administrative Coordinator Yvette Finstad; Finance & Administration Services Director Tessa DeLine; Information Technology Manager Kris Stitt; Human Resources Manager Tanya Haakinson; Water Meter & Controls Supervisor Ken Johnson; Capital & Special Projects Coordinator Andy Huffman; Water Treatment & Quality Director Ben Klayman; BBS Lead Dennis Burg; Water System Operator II Tony Thompson

Guest(s): Attorney Mark Bartholomew; Medford Council Liaison Tim D'Alessandro; City of Central Point Councilor Tanea West Browning; Robert Annear

## 2. Elect Board Chair and Vice Chair for 2021

**Motion: Appoint Jason Anderson as Chair for the year 2021.**

**Moved by: Mr. Dailey      Seconded by: Mr. Strosser**

***The adoption of the motion was approved by voice vote.***

**Motion: Appoint Bob Strosser as Vice Chair for the year 2021.**

**Moved by: Mr. Dailey      Seconded by: Mr. Bunn**

***The adoption of the motion was approved by voice vote; Mr. Strosser abstained.***

In Commissioner Anderson's absence, Commissioner Bunn will act as chair for this meeting; the quorum threshold has been met with a majority of those present.

## 3. Comments from the Audience

Medford Council Liaison Tim D'Alessandro welcomed Commissioner Strosser back to the Board.

## 4. Approval or Correction of the Minutes of the Last Regular Meeting of January 20, 2021

**The Acting Chair put forth the question on approval of the minutes of the last regular meeting. The minutes were approved by general consent.**

## 5. Review of Vouchers

Commissioner Dailey remarked that there are many power bills in the vouchers, with deteriorated aging. Finance & Administration Services Director DeLine noted that staff is catching up on backlog, and they are delayed by the time vouchers come out. Commissioner Dailey also observed payments to Internal Revenue Service and Oregon Department of Revenue for payroll taxes, inquiring about any penalties for late payments; DeLine confirmed no late fees had been assessed as payments are made semi-monthly.

## 6. Management Reports

### 6.1 Engineering Report (Capital & Special Projects Coordinator Andy Huffman)

- BBS Point of Entry – Contractor Prequalification forms received 2/02; there are 3 contractors prequalified (McClure & Sons, Knife River Materials, and C&C Constructors). Bid opening is 2/16; this will be a conventional Design-Bid-Build process.
- Duff 65 MGD Expansion – Jacobs Engineering Contract Awarded by Resolution 1728 for up to \$6,207,000. This is an approximately 7-year project, with incremental approvals

by board-approved task orders. Task Order 1 for site evaluation was approved for \$584,000. The issue at hand is that four additional Task Orders were approved by staff; although progress updates were provided, board approval was not obtained. A total of \$468,008 has been spent to date on all task orders, which is under the amount the Board approved, but staff is concerned with transparency and recommends a board motion authorizing Task Orders 2, 3, 4, and 5 for an amount of \$828,747 to clarify the issue moving forward. This will bring the total authorized project budget to \$1,406,747. Future Task Orders will be brought for Board approval before staff directs work to begin.

Commissioner Bunn noted that he and Taylor spoke about this; there was no ill intent, and this is the right way to clean it up. Commissioner Strosser agreed that this is an effective way to remedy the situation and appreciates Taylor bringing it to the Board. Commissioner Dailey inquired if any other contracts were being done this way and requested that it be done differently in the future, although he appreciates being informed; this one is unique in that we were not sure where the project was going to go and moved quickly following preliminary work, responded Taylor.

**Motion: Approve Task Orders 2, 3, 4, and 5 for the Duff 65 MGD Expansion Project.**

**Moved by: Mr. Dailey      Seconded by: Mr. Strosser**

***The adoption of the motion was approved by voice vote.***

6.2 Operations Report (Water Meter & Controls Supervisor Ken Johnson)

- Springbrook Road Roundabout Project – This is a City project; we have buried pipes in conflict with project. Crews have been working on abandoning and relocating services.
- 126 Richmond Avenue 16" 1948 steel water main line leak – Crews excavated down, stripped coating, pitting and corrosion. These typically have longevity of about 50 years, and hold up well. The crew used the vac-con to excavate and fixed the leak using repair bands, which is common. After repair, wax tape was used to prevent corrosion. Taylor added that the vac-con truck is the single most used piece of equipment by our crews.

6.3 Water Treatment/Quality Report (Water Treatment/Quality Director Ben Klayman)

- Watershed report – Drought conditions persist; snowpack well below average due to recent warm weather (statewide snowpack is 58% of average). Precipitation at BBS is 80% of average and springflow remains at 20-year minimum. Willow lake storage is at a good position and filling slower than average, although it is still anticipated to fill.
- Water Quality – OHA now posting all post-wildfire VOCs sample results. Sampling is ongoing; Talent has positive detections of Benzene and Toluene below MCLs. Above MCLs would trigger replacement of line from the main to the meter. Currently there is no requirement for replacement of the line from the meter to the home, but we are working to make sure it is recommended to all customers. All of CAWD's samples are ND.

Following Commissioner Dailey's query if the benzene and toluene are a combustion product from the pipe, Klayman stated that the scientific theory is that it is melted plastic as they are components of plastic. After depressurization, they can travel back into the service line. Commissioner Bunn asked if it continues to leach or just during the event, and if we test for VOCs at our entry point although we do not have plastic in our system. Klayman replied that sampling is ongoing, and these were obtained within the last week or two, so Talent is seeing the presence of these things now. We test at our entry point and throughout CAWD to make sure it is not originating from their mains. The theoretical basis is that it travels backwards from a home into the adjoining system.

- Compliance with water quality regulations is 100%.

Commissioner Bunn questioned how close the detects were to the MCL. The MCL for benzene is 5 micrograms per liter, and the detects were between 1 and 3, remarked Klayman.

- 6.4 Finance Report (Finance & Administration Services Director Tessa DeLine)
- Municipal Advisory Services selection is expected to be conducted late this week.
  - There was a meeting at 9:30 a.m. this morning at the Lausmann Annex with representatives from FEMA and the State of Oregon. Lester McFall is currently leading the team on the Big Butte Springs access roads in order to observe the damages caused by the Obenchain fire; we will be seeking reimbursement from FEMA for these damages.
  - Customer Service and Billing are working on the creation of payment arrangement functionality in the customer billing system. We are expecting a framework by the end of the week. It will require extensive testing prior to offering it to our customers.
  - Water accounts receivable data as of 1/31 was provided; the 120-plus day category has reached 15% of total AR. About one-fifth of that is closed accounts, subject to collections.
- 6.5 I.T. Report (Information Technology Manager Kris Stitt)
- Project Updates – Annual security training for all staff members was recently launched, and potential customer service website software vendors are being reviewed. Fiber replacement at Duff intake building continues and network reconfiguration at Duff is complete. Information on Asset Management will be presented at the next meeting.
- 6.6 HR Report (Human Resources Manager Tanya Haakinson)
- Training – OR-OSHA Temp Rule update; employees have completed the required training (12 classes). National Incident Management System (NIMS) for Incident Command Training; IS 100 Introduction to Incident Command System and IS 700 Introduction to NIMS are required.
  - Recruiting – 6 internal candidate interviews next week for Lead U.P., continuing to seek candidates for Senior Engineer, and Water Efficiency Specialist will be posted this week.
- 6.7 General Manager's Report (General Manager Brad Taylor)
- WIFIA Update – Meeting with EPA on 2/10.
  - 2021 Legislative Session – Tracking and evaluating multiple bills; working with Oregon Water Utility Council to coordinate efforts regarding two key bills: HB 2616-Carey Pond and HB 2310-Plastic Pipe Bill
    - HB 2616 (Carey Pond) – Refers to the illegal construction and use of a storage reservoir in the Big Butte Creek Watershed, which is protected under Legislative Decree and exclusively set aside for municipal benefit in 1925 (ORS 538.430). HB2616 is trying to use the legislative process to undermine an action taken by Oregon in 1925 to provide the exclusive water right to the City of Medford for its water supply. We are coordinating efforts with Oregon Water Utility Council to strongly oppose the bill. Has similarities to Harrington Pond issue; Oregon Court of Appeals ruled in favor of OWRD in 2007 to not approve a water right. Working directly with LOC and OWUC lobbyists to get a meeting with the chair of the committee where the bill may get heard, making direct contact with local legislative representatives within the region, providing them our position and talking points.
    - HB2310 – Relating to materials for local water systems, prohibits local jurisdictions from identifying or requiring a certain type of pipe for their system.

Regarding HB 2616, Commissioner Dailey inquired why the City lobbyist was not involved, and which legislator submitted the bill. Taylor remarked that the City lobbyist is aware that we do not support it, although the lobbyists from LOC and OWUC are connected with multiple state legislators; it was submitted by Representative Vikki Breese-Iverson (her territory extends southwest from Prineville along the east side of the basin). Representatives Kim Wallen and Pam Walsh will be briefed on our position as well. Commissioner Bunn encouraged staff to involve commissioners.

- Upcoming Schedule – 2/17 Asset Management Update, 3/3 Capital Planning-Part 1, 3/17 Capital Planning-Part 2, 4/7 Overview of Revenue Collection Fees, 4/21 SDC/Fees.

**7. Propositions and Remarks from the Commissioners**

Commissioner Bunn stated that in executive session, the Board received legal advice related to special districts and saved discussion about policy for the open meeting. There has been discussion publicly of CAWD dissolving, but they would be best served by having their own governance and remaining a district. It does not appear that the discussion is there yet, but the only way to entertain acceptance would be a mechanism that allows those people generating a cost to pay for it. Taylor confirmed that this articulation is what is needed for now, with the focus being that our primary rate payers are not paying for something that is not their responsibility. Commissioner Strosser corroborated that this reflected his position as well, and disclosed a previous conflict that has been resolved. Commissioner Dailey agreed with the articulation, noting that CAWD precipitated the discussion, but as general policy we will not provide service to anyone that would compromise our Medford citizen rate payers.

**8. Adjourn**

There being no further business, this Commission meeting adjourned at 1:15 p.m. The proceedings of the Medford Water Commission meeting were recorded and are on file along with the complete agenda of this meeting.

Yvette Finstad  
Assistant Clerk of the Commission