



BOARD OF WATER COMMISSIONERS MINUTES

Wednesday, March 17, 2021

Via teleconference

The regular meeting of the Medford Water Commission was called to order at 12:06 p.m. on the above date via teleconference with the following commissioners, staff, and guests present:

Chair Jason Anderson; Commissioners Daniel Bunn, John Dailey, Michael Smith, and Bob Strosser

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; Water Maintenance Supervisor Lester McFall; Interim Engineering Supervisor Brian Runyen; Capital & Special Projects Coordinator Andy Huffman; Water Treatment & Quality Director Ben Klayman; Water Resources Coordinator Smitherman

Guest(s): Attorney Mark Bartholomew; City of Central Point Councilor Tanea West Browning; Attorney Chris Hearn; Frank Kukla (Alder Creek Homeowner's Assoc.)* (* Arrived late)

2. Comments from the Audience

Attorney Chris Hearn spoke on behalf of Whispering Pines Mobile Home Park. Owners Steve and Cindy Taylor, have previously requested support for annexation into Charlotte Ann Water District (CAWD) for the purpose of obtaining water service to the park. Hearn referenced General Manager Taylor's recent email correspondence with OHA regarding the process that was engaged for annexation. After previous discussion with City of Phoenix, Jackson County counsel, and various other entities, they decided that the OHA process—which requires a hearing and determination of a danger to public health—was unduly cumbersome and elongated in light of the circumstances, and chose the landowner annexation process. Per Hearn, Section 7 of the 1995 Urban Growth Boundary Management & Policy Agreement between Phoenix and Jackson County states that for annexation, a danger to public health must be shown, and the definition from OHA's annexation process (ORS 431) is incorporated by reference, but does not dictate that the annexation has to follow the OHA procedure. Hearn said the representative of OHA that replied to Taylor's email believed they should be pursuing the OHA process, which he reiterated they determined to be onerous and instead tried to meet the statutory definition through Jackson County Health Department Susan Baker's letter.

Taylor clarified that Baker is the Jackson County public health officer, and Commissioner Bunn affirmed that the missing link is where Baker's authority is delegated from to make determinations related to public health emergencies. OHA has not made a formal ruling of whether or not this is a public health emergency, added Taylor. Hearn appeared to have technical issues and inadvertently disconnected; the Board will allow him to wrap up his statement if he returns.

3. Consent Calendar

3.1 Approval or Correction of the Minutes of the Last Regular Meeting of March 3, 2021

3.3 Authorize the General Manager to Sign Memorandum of Understanding for the Monitoring Grant for Rogue Drinking Water Partners

Motion: Approve Consent Calendar with Items 3.2 and 3.4 removed.

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

Roll Call: Commissioners Anderson, Bunn, Dailey, Smith, and Strosser voting yes.

Motion carried and so ordered.

4. Items Removed from Consent Calendar

Commissioner Anderson requested the removal of 3.2 and Commissioner Dailey requested removal of 3.4.

- 3.2 Resolution No. 1763, A RESOLUTION Authorizing the Distribution of a Water Conservation Grant in the Amount of \$4,604 to Alder Creek PUD to Complete a Partial Irrigation System Upgrade to Increase Water Efficiency and Minimize Water Waste

Alder Creek has an extensive sprinkler system, which uses 30% more water than necessary. The proposed changes will significantly reduce water usage. This is an opportunity to support conservation in our community, and the requested grant meets the intent of the program's goals. Commissioner Dailey inquired about eligibility for the program (any facility owned by a public or non-profit entity qualifies), and remarked that perhaps effectiveness is a better criterion. Staff will look into the guidelines and explore ideas for changes.

Motion: Approve Resolution No. 1763.

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

Roll Call: Commissioners Anderson, Bunn, Dailey, Smith, and Strosser voting yes.

Motion carried and so ordered.

Out of sequence

Hearn rejoined the meeting following technical difficulties, and as a continuance of Item 2 stated that he will speak to the representative at OHA that responded to Taylor's email and circle back to the Board with any follow-up or feedback.

Back in sequence

- 3.4 Authorize the General Manager to Sign Intergovernmental Agreement with City of Ashland to Provide Assistance for Water Conservation Services

This agreement will support City of Ashland in conservation during the transition following Water Resources Coordinator Smitherman's departure. Their council has approved moving forward with this agreement, and they will be billed at a rate that includes overhead and other aspects. The broader Partner Cities group has a desire for this work as well.

Motion: Approve Agenda Item 3.4.

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

Roll Call: Commissioners Anderson, Bunn, Dailey, Smith, and Strosser voting yes.

Motion carried and so ordered.

5. Review of Vouchers

Commissioner Dailey asked for explanation on the Knife River vouchers, which are associated with lagoon construction at the Duff plant, per Taylor. Water Treatment/Quality Director Ben Klayman explained that the voucher for investigative analysis from Neilson Research is for water quality testing, for compliance or other initiatives, when queried by Commissioner Smith.

The Board acknowledged Frank Kukla, Chair of the Alder Creek Homeowner's Association Irrigation Committee and informed him that the conservation grant had been approved.

6. Management Reports

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

- Duff Plant – Project status
 - Raw Water Pumping – RW#3 and #2 have been reinstalled; #4 and #5 motors have

- been pulled and will be reinstalled by mid-April.
- Reservoir Baffles – Curtain baffles are installed. This project has been delivered on time and well under the prescribed CM/GC budget. Through the course of construction, it was found that the expansion joints at the old reservoir were compromised and in need of repair. MWC worked with Jacobs and MSI to develop a repair approach. Having the reservoir empty and a contractor on site provided opportunity to repair joint. It will be delivered in two phases for approximately \$35,000: Phase 1 – Clean and prep, install polymer mortar, and new expansion joint foam, making reservoir ready for operation. Will be delivered with CM/GC contract. Phase 2 – Install Sika Combiflex system similar to what was installed at Capital Reservoir #3; will be delivered as a separate project next fiscal year. Taylor added when this work is done it will be handled through a different contracting mechanism.
- Upcoming contract milestones
 - Point of Entry – Notice to Proceed issued; contractor is mobilizing.
 - Duff 65 MGD
 - Ozone Equipment Procurement – Bid opening 3/17. Installation construction will be Design/Bid/Build, to advertise mid-June.
 - Relocated Entrance – Will be Design/Bid/Build, to advertise at the end of March.
- 65 MGD Task Order Processing
 - Task Order 6 – New Filter Design, Not-to-Exceed \$2,719,550. Additional Topographic Survey; OHA required Filter Piloting of refined filter process. Detailed Design Basis of Design Report, Detailed Design, Services During Construction, and ongoing testing and reporting to OHA to certify process.
 - Task Order 7 – Intake Permitting Assistance, Not-to-Exceed \$20,000; will tie existing intake permitting to larger Duff 65 MGD permitting activities, streamline the process and agency reporting, and provide wholistic approach to permitting overview.
 - Staff has reviewed the proposed Task Order scope and fee, and recommends approval of Task Orders 6 and 7 by motion.

Motion: Approve Task Orders 6 and 7 for the Duff 65 MGD Expansion Project.

Moved by: Mr. Dailey

Seconded by: Mr. Strosser

Commissioner Dailey remarked that he prefers defining parameters ahead of time rather than this approach to project funding, but he does not have reservations about what is being done. The process for both is similar, responded Taylor; this approach provides the benefit of more details to give more accurate numbers and more scrutiny. Staff works to ensure that the Board is able to see the whole picture and understands the details, along with how it relates to the Capital Budget.

Roll Call: Commissioners Anderson, Bunn, Dailey, Smith, and Strosser voting yes.

Motion carried and so ordered.

- 6.2 Operations Report (Water Meters & Controls Supervisor Ken Johnson/Water Maintenance Supervisor Lester McFall)
 - Large Meter Replacement Program – Large meter replacement on-going and completion of program expected in Fiscal Year 21/22. Meters to replace were broken out by size, there are 24 meters left out of a total of 204 large meters (92% Complete). Photos of the recent 6" Harry and David Master Meter Replacement (CAWD), Charles Point 3" Meter Replacement at Highgate, and the new OMNI 3" T2 meter were provided.
- 6.3 Water Treatment/Quality Report (Water Treatment/Quality Director Ben Klayman)
 - Treatment Operations – Duff Plant currently dry commissioning, preparing to bring water into the plant by the first week of April. Last year, we were not able to fill both pipes full

due to low spring flow and the unavailability of Rancheria Springs, necessitating Duff to come online sooner.

- Diversion pipeline – To be opened this week; takes White City runoff to below intake, reducing risk of hazardous runoff. This is infrastructure we own that was installed when Duff was built in 1968. ODFW and OWRD meeting on site to review, learn more about how it works and any potential impact on fish.
- Springs could go to 2 full pipes (for now) – Rancheria is available this year and we should be able to fill both pipes.
- Watershed – Watershed Grant funded by OHA for improved water quality monitoring throughout the Rogue Basin, including a sonde to measure organics in Little Butte Creek.
- Water Quality
 - CAWD post-fire efforts: Letters and information sent to 110 CAWD customers with homes damaged by fire.
 - Backflow account review is underway
 - Compliance with water quality regulations is 100%.

6.4 Finance Report (Finance & Administration Services Director Tessa DeLine)

- Financial Statement update – February Financial Statements, expect statements toward the end of this week or early next.
- Insurance Agent of Record – RFP is open and will be closing on March 31
- Auditing Services – Currently working on the draft RFP and it will be open sometime next week. It will be 2-3 weeks until review is needed.
- Water accounts receivable data as of 3/12 was provided; the 120+ day category has increased, and \$20k of it will be sent to collection. Staff is working on strategies for resuming normal business operations.

6.5 I.T. Report (Information Technology Manager Kris Stitt)

- Remote Penetration Test – MWC recently worked with the Cyber Security and Infrastructure Security Agency (CISA) to perform a Remote Penetration Test (RPT). This is a more thorough test of internet facing servers and equipment by CISA security staff. Testing included: External Penetration Testing, External Web Application Testing, Phishing Assessment, and Open-Source Intelligence Gathering.
 - Results - We need to harden some security settings. Some phishing emails made it past the border protection but was blocked at the host (computer). 16 email addresses were found during information gathering, 4 of those addresses have been involved in a known data breach in the past. No passwords were discovered.

6.6 HR Report (Human Resources Manager Tanya Haakinson)

- Training – American Red Cross Training First Aid/CPR/AED will be virtual, with an in-person component to complete within one year.

Commissioner Dailey inquired if there are AED devices in the trucks. Due to the remoteness, there is one in a vehicle at BBS, one at the office there, and one at each of the other locations, replied Haakinson. As additional vulnerabilities are identified, more can be added.

- Recruitment Update – Senior Engineer Rachel Lanigan to start 3/29; Duff Intern has been selected and will start 5/04. Will be interviewing candidates next week for Water Treatment Plant Operator I or II, and posting a Utility Person I position on 3/29. Both openings are refills due to retirement/internal movement.

6.7 General Manager's Report (General Manager Brad Taylor)

- 2021 Legislative Session Update – HB 2616 (Carey Pond): met with Vicki Breese Iverson, the bill sponsor, last week, and provided public testimony during the hearing

yesterday along with Commissioner Strosser. Waiting to determine if it will move forward.

Commissioner Strosser added that Jackson County commissioners did vote to support HB 2616, but the nuances of the issue were likely not fully understood, and they did not consult with either Medford Water Commission or OWRD; this vote was used in the hearing as a support mechanism for the bill.

- Whispering Pines Update – Reached out formally to the director of the Oregon Health Authority-Drinking Water Program, who confirmed that information submitted by Susan Baker of Jackson County Health does not constitute a finding of “A Danger to Public Health” under ORS 431, and communicated this to Hearn as well. For this finding to be made, the two pathways forward are a local government initiated 431 process, or OHA-DWP initiated 431 process. The local government initiated process would be the most expeditious, involving Jackson County commissioners passing a resolution requesting that OHA formally make a ruling on whether or not conditions warrant classification as described in the definition in ORS 431, which implies that the authority to make the decision lies with OHA and through the process as described in ORS 431.

The Board has previously communicated that such a formal response from OHA would allow them to operate under Resolution 1058, although charter authority gives further discretion. Attorney Bartholomew asserted that the ORS 431 method does a better job of preserving the intent of 1058. Hearn and Baker’s letter advocate for the ORS 198 process, which references land use documents; Commissioner Bunn acknowledged that to the extent the documents are unclear, it is not appropriate to make land use determinations as they are not a land use body. ORS 431 is a conservative approach that meets the intention. Taylor will continue to work with Hearn and other entities.

- AWWA Annual Conference – Virtual Event, June 14 to 17, \$395 per person. Content will be available for 30 days after event. Usually one commissioner attends the conference; due to the price savings involved with the virtual nature, it is possible that more than one could attend this year. Interested commissioners should reach out to Taylor directly.
- Upcoming Board Schedule – 4/7 Asset Management/Logo Discussion, 4/21 SDC/Fees, 5/5 Annual Budget Part 1, 5/19 Annual Budget Part 2

7. Propositions and Remarks from the Commissioners

None.

8. Adjourn

There being no further business, this Commission meeting adjourned at 1:19 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