



BOARD OF WATER COMMISSIONERS - MEETING MINUTES

Wednesday, July 21, 2021

Medford City Hall Council Chambers
411 W. 8th Street - Rm 300, Medford, Oregon 97501

The regular meeting of the Medford Water Commission was called to order at 12:15 p.m. on the above date at Medford City Hall Council Chambers, Rm 300, with the following commissioners, staff, and guests present:

Chair Jason Anderson; Commissioners Daniel Bunn, John Dailey, Michael Smith (by phone), and Bob Strosser

General Manager Brad Taylor; Executive Administrative Coordinator Yvette Finstad; Finance & Administration Services Director Tessa DeLine; Human Resources Manager Tanya Haakinson; Water Meter & Controls Supervisor Ken Johnson; Water Maintenance Supervisor Lester McFall; Engineering Supervisor Brian Runyen; Water Treatment & Quality Director Ben Klayman; IT Manager Kris Stitt

Guest(s): Attorney Mark Bartholomew; Medford Council Liaison Tim D'Alessandro; City of Central Point Councilor Tanea West Browning (by Zoom); Pat Boyle and Mandy Gunn of PayneWest; Gary Hall; Doug Day

3. Comments from the Audience

Gary Hall, of Medford, spoke on the use of agricultural water for those in need, and asked the Commission to consider a place to pick up water for agricultural use before it is treated at the plant. He normally uses water from Talent Irrigation District (TID) for irrigation, which was turned off last week.

Doug Day, of Medford, spoke on his proposal to construct a privately owned bulk water station at the intersection of Vilas Road and Helo Drive. He is aware that the Commission's bylaws do not allow for resale of water, but observed that the water stations sell to trucks that appear to go all over the valley, and asked if the bylaws could be amended to allow this.

Commissioner Bunn commented for both speakers that the Commission's withdrawal permits are for municipal use; the Board has to be careful when treading into the issue of ultimate use. Commissioner Anderson added that when it comes to Jackson County, they are a government/municipal entity and purchase the water through a meter.

4. Consent Calendar

4.1 Approval or Correction of the Minutes of the Last Regular Meeting of July 7, 2021

4.2 Resolution No. 1777, A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract in the Amount of \$263,975 with Pilot Rock Excavation, Inc. for the Normil Terrace 8" Waterline Extension Project

4.3 Resolution No. 1778, A RESOLUTION Authorizing the General Manager to Execute Purchase Orders in the Amount of \$545,000 to Sensus Metering Systems for Meters, Radio SmartPoints, and Advanced Metering Infrastructure (AMI) for Fiscal Year 2021-2022

4.4 Resolution No. 1779, A RESOLUTION Authorizing the General Manager to Execute a Purchase Order in the Amount of \$487,697 to Vac-Con Hydro Excavators for Fiscal Year 2021-2022

4.5 Resolution No. 1780, A RESOLUTION Adopting and Authorizing the General Manager

to Execute the Comprehensive Financial Management Policy for the Board of Water Commissioners

Motion: Approve the Consent Calendar.

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. Items Removed from Consent Calendar

None.

6. Resolution No. 1781, A RESOLUTION Authorizing the General Manager of the Medford Water Commission to Execute on Behalf of the Board of Water Commissioners, a Payment to CityCounty Insurance Services in the Amount of \$229,180 for Medford Water Commission's General Liability, Automotive, and Property Damage Insurance Premium for Fiscal Year 2021-2022

A revised memo and resolution were provided to the Board at the meeting; the reference to additional cyber liability coverage has been removed. The premium does include a line item for \$50k in cyber liability coverage, but the additional coverage requested by the Board is still pending. Pat Boyle and Mandy Gunn of PayneWest presented information on the insurance premium and coverage. The increase in construction costs and costs related to natural disasters have been the main factor driving premium rates, although the Commission's auto-loss ratio and general budget increases contribute as well.

Commissioner Bunn inquired about the Commission's general liability limits (\$15M per occurrence, and \$30M aggregate), and suggested that next year the Commission take a higher retention, in addition to getting an analysis for earthquake or flood coverage. PayneWest works with an internal risk service and can put together a quote for a standalone DIC policy. Multi-Factor Authentication (MFA) will allow the next level of cyber insurance coverage; IT Manager Kris Stitt mentioned that we are in the process of adding MFA for all employees, and have used it for remote access in the past.

Motion: Approve Resolution No. 1781.

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

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

Motion carried and so ordered.

7. Review of Vouchers

Commissioner Dailey questioned the \$500 transaction to BOLI on December 4, 2019, for Duff Engineered Lagoons. Staff will look into it and follow up with the Board.

8. Management Reports

Management staff presented information:

- Water Treatment & Quality Director Ben Klayman – System Demand and Treatment Plant Production data was presented. It has been a hot summer; record demand and production continue. Data shows that we are close to double the five-year average of production from the plant.
- Human Resources Manager Tanya Haakinson – The Commission received a Worker's Compensation dividend of \$26,312 (38.14% of 2020 standard premium), based on loss ratio and our safety program, among other considerations. New GIS/EAM Administrator starts next Wednesday; he comes from the County. A new OSHA rule pertaining to Exposure to High Ambient Temperatures took effect July 8; work to train crews, management, and the safety committee has been underway. Different measures, such as water and shade provisions, must be taken if the heat index reaches certain levels.

- General Manager Brad Taylor – Emergency Metered Water Service Agreements; 3 contracts approved in September 1993 if surplus water is available.
 - Rogue Valley Country Club – Up to 800k gpd maximum
 - Quail Point Golf Course – Up to 500k gpd maximum
 - Stewart Meadows Golf Course – Up to 500k gpd maximum
 - Cedar Links Golf Club approved in November 1997 – Up to 800k gpd maximum
 - All are still in place; contracts require 60-day notice for termination. Rate from Schedule 7: \$1.96 per 1000 gallons in summer, \$1.76 per 1,000 gallons in winter, plus base rate per month when meter is active. Taylor recommends that notice is given on existing agreements, and seeks input from the Board on policy moving forward, how it relates to rates, SDC's, and other charges. Only RVCC has reached out to utilize water on August 1 (they activated their meter recently and have been charged a base rate). These are the only entities that we allow on an intermittent basis; they normally get water from TID and Medford Irrigation District (MID).

Commissioners Dailey, Bunn, and Anderson acknowledged that they are RVCC members; Commissioner Anderson represents the club as well. Commissioner Strosser commented that these contracts have been in place since early '90s with no updates, whereas our dynamics have changed greatly. Board members agreed that the Commission is not going to cut them off this summer, so we will provide them what they need to get through the summer (up to the max) and let them know it will be renegotiated by next season.

Commissioner Strosser noted that among the issues, our ability and capacity to supply stand out, and that they have not paid SDC fees. Coin dispensers present the same problem (and do not pay SDCs either). Commissioner Dailey stated that if we have surplus water, we might as well sell it, however we still have to rate it correctly. A study session regarding the framework for this issue will be scheduled.

9. **Executive Session Pursuant to ORS 192.660(2)(f)** – To consider information or records that are exempt by law from public inspection.

The Board adjourned to Executive Session at 1:00 p.m.

The Board returned from Executive Session at 1:30 p.m. with the same members present.

10. Propositions and Remarks from the Commissioners

Motion: Direct staff to proceed with option 1b for the Commission's new logo/brand.

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

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

Motion carried and so ordered.

Commissioner Bunn reiterated that staff has been directed to schedule a study session regarding bulk water sales and emergency water use, and added that he chairs the 2040 Vision Task Force, which has identified water resources and long-term water strategy as important to the 2040 vision. The Commission will get tasked with working to a solution, which needs to be regional.

Regarding the public comments, Commissioner Dailey inquired if the new Duff entrance would preclude us from accommodating an access point at Duff. Taylor replied that the project does not, but the Board needs to spend time coming up to speed with all the intricacies of that issue before considering it. Commissioner Bunn added that there are government entities with taxing and policing power that exist to provide irrigation water, and

can come together to provide an access point to raw water. Commissioner Strosser questioned the rights under which that water would be withdrawn.

Commissioners Anderson and Strosser will meet with Taylor over the next month for his evaluation and report back with a recommendation retroactive to his July 24 anniversary date.

11. Adjourn

There being no further business, this Commission meeting adjourned at 1:36 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