



WATER COMMISSION BOARD MEETING MINUTES

Wednesday, September 2, 2020 – 12:15 p.m.

Via teleconference

The regular meeting of the Medford Water Commission was called to order at 12:19 p.m. on the above date via teleconference with the following commissioners, staff, and guests present:

Chair Daniel Bunn; Commissioners Jason Anderson, John Dailey, Greg Jones, and Michael Smith

General Manager Brad Taylor; Executive Administrative Coordinator Yvette Finstad; Principal Engineer Eric Johnson; Information Technology Manager Kris Stitt; Water Meter & Controls Supervisor Ken Johnson; Water Treatment & Quality Director Ben Klayman; Finance & Administration Services Director Tessa DeLine; Billing Lead Brandis Havener; Customer Service Lead Jullie Flenner

Guest(s): Attorney Mark Bartholomew; Medford Council Liaison Tim D'Alessandro; Robert Annear

2. Comments from the Audience

None.

3. Public Hearings

- 3.1 Consider Resolution No. 1751, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Modifying System Development Charges (SDCs) for Water Treatment and Transmission Facilities, to \$1,698.41 per Equivalent Residential Unit (ERU), Using the Methodology and Other Provisions Relating to Imposition and Collection of SDCs, Effective October 1, 2020

Public hearing opened.

No one spoke.

Public hearing closed.

Motion: Approve Resolution No. 1751

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

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

Motion carried and so ordered.

- 3.2 Consider Resolution No. 1752, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Modifying System Development Charges (SDCs) for the East Side High Level Area (ESHL), to \$8,254.77 per Gross Acre, Using the Methodology and Other Provisions Relating to Imposition and Collection of SDCs, Effective October 1, 2020

Public hearing opened.

No one spoke.

Public hearing closed.

Motion: Approve Resolution No. 1752

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

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

Motion carried and so ordered.

- 3.3 Consider Resolution No. 1753, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Modifying System Development Charges

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(SDCs) for the Southwest High Level Area (SWHL) to \$9,226.45 per Gross Acre, Using the Methodology and Other Provisions Relating to Imposition and Collection of SDCs, Effective October 1, 2020

Public hearing opened.
No one spoke.
Public hearing closed.

Motion: Approve Resolution No. 1753

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

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

Motion carried and so ordered.

- 3.4 Consider Resolution No. 1754, A RESOLUTION Declaring as Surplus and Authorizing the General Manager to Execute All Necessary Documents to Complete the Sale of Real Property Described as 8.13 Acres Located on Hanley Road, Jackson County, Oregon and Identified by the Jackson County Assessor as Township 37, Range 2 W, Section 22, Tax Lots 2901, 2201, 2400, and 2801 to Dennis and Diane Sullivan, 1985 Rossanley Drive, Medford, Oregon 97501

Public hearing opened.
No one spoke.
Public hearing closed.

Motion: Approve Resolution No. 1754

Moved by: Mr. Dailey

Seconded by: Mr. Smith

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

Motion carried and so ordered.

4. Approval or Correction of the Minutes of the Last Regular Meeting of August 19, 2020

The Chair put forth the question on the approval of the minutes of the last regular meeting. The minutes were approved by voice vote.

5. Review of Vouchers

Commissioners reviewed the vouchers; no questions were received.

6. Management Reports

6.1 Engineering Report (Principal Engineer Eric Johnson)

Commissioners heard a portion of this report during the Study Session to delay the start of the regular meeting and public hearings until the advertised time (Back in Sequence)

- Water Quality Improvement Project – Staff has received the 98% plan and specifications; the project is currently on track for bidding in November. Engineering design is underway for the new point of entry and a review meeting with Marquess is scheduled for Thursday. The Type II planning application has been submitted to Jackson County.
- Lagoons – Floor slabs are being prepared for the concrete pour, and backfilling of exterior walls is underway. Getting these operational will reduce stress on other lagoons.

Commissioner Smith questioned how much water is returned to the river from the lagoons. Johnson estimated that 3 to 5 percent is returned, and Klayman agreed. He added that while 45 mgd is what we bring in from river, the plant can only produce about 42 mgd; water not available for production is returned to the river.

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

- Large Meter Replacement Update – Large meters are considered to be 2” to 10” meters for large multifamily and commercial customers. There are 204 in our system.
 - In 2017, a plan was set in motion to replace all large meters in a 5-year time span due to the Federal Low Lead Act; staff evaluated and developed a meter replacement program based on revenue data and meter inaccuracy when tested.
 - As of September 1, there are 31 meters left to replace. All replacement meters are Advanced Metering Infrastructure (AMI) capable.
 - Planning and coordination of change outs, including night work, weekends, or use of bypasses, is required to avoid disrupting customers.
 - Five remaining Charlotte Ann Water District Bill Project Meters to changeout. Will attend their meeting on September 10 to discuss these.
 - It is anticipated that all large meters will be changed out in the next 18-20 months.

Commissioner Dailey asked if the Commission is still using mag meters; Johnson noted that iPearl meters are magnetic, the pump stations have magnetic flow meters, and the TAP meter is a large magnetic meter. All are in compliance with the Low Lead Act.

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

- Big Butte Springs will continue to operate at pipe and a half capacity and much of the year has hovered at historical minimums for total springflow. We prefer to use as much springflow as possible, as it requires minimal treatment and is cheaper to produce.
- Adding UV to Rancheria allows us to use that source again, but due to current springflow levels we will still need to stay at pipe and half. This pattern was last seen in 2005.

Commissioners Anderson requested clarification on why Rancheria will not be benefitting us; Klayman responded that with or without Rancheria we are still not able to fill both pipes this year. Hydraulically the pipes are not capable of modulating in between full or half full capacity. Commissioner Bunn queried the group about the throttling issue and if there is a point that would require us to put significant money and engineering towards making it happen. Taylor noted that a presentation will be coming to the Board in the near future on the detailed hydraulic modeling. It is difficult and very expensive to change hydraulics of either pipe until one needs to be replaced.

- Duff plant is ready for a hot week – August 14 was peak demand so far this summer; record daily production of 38 mgd on that date of as well.

Commissioner Dailey inquired about the irrigation districts with regards to water levels; Klayman is aware that their sources are low, and Water Meter & Controls Supervisor Johnson added that they may be shutting down in the next 10 days.

- Reinstalling sonde at the treatment plant intake; this gives us ability to see water quality regardless of whether plant operating. The unit was previously not reading correctly.
- Quarterly compliance sampling for radionuclides at the new Rancheria UV facility will take place this week; radionuclides have not been detected historically. Waiting to hear back from OHA on potential radionuclide reporting error from previous quarter. We sampled correctly and there is no issue of public health, just a reporting issue.

Commissioner Dailey asked Klayman if there would be a fine associated with such a reporting violation; there would not be a fine, it goes into our record at this point.

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

- DeLine compared 2019 water utility cash receipts to 2020 calendar year to date; it is suspected that 2020 numbers would be higher if we were doing shutoffs.
- Water accounts receivable aging figures for 2019 and 2020 were also compared; the figure as of August 31 is \$1.4M, compared to \$1.2M in 2019. Will monitor weekly.

- Go Live for CIS Version 4 Customer Service and Billing System will be September 14. We will not be taking any payments from end of day on Friday, September 11, through Sunday, September 13, as a result of the data conversion.
- The collections process on closed accounts has begun; \$4,276 has been sent. These are accounts that have had reminders and delinquent notices sent nearly 6 months ago.
- The RFQ for Bond Counsel Services is nearly complete.
- Working on 2019-2020 Year End Statements and Audit preparation; field work will take place around the last week of September.

Commissioner Dailey queried DeLine on the RFQ for bond counsel. Staff looked at sample proposals and modeled it after a State of Nevada RFQ, stated DeLine. A commissioner will be asked to help make a selection, in addition to advice from consultant HDR.

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

- Asset Management – Staff is reviewing sections of the draft documentation.
- Billing System – Wrapping up Go-Live planning and getting message out to customers.
- BBS Fiber project – Installation from Rancheria to disinfection building; part of the overall fiber project at BBS. Will provide a 1GB fiber connection between sites and back.

Commissioner Dailey inquired on whether the fiber would be above ground or buried. It is a combination, replied Stitt: it is buried from Rancheria to the SCADA system room, and buried from the SCADA room to the fork in the driveway, but along the driveway from there to the entry gate and to Butte Falls is aerial. The portion that we own and have to maintain is buried.

6.6 HR Report (Human Resources Manager Tanya Haakinson)
None.

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

- Union Agreement – A tentative agreement has been reached with union. The next step is to organize the agreement parts and other issues and bring it to the Board.
- Bonding – The Commission will pursue participation in WIFIA loan program; working with consultant HDR to prepare a funding letter of intent (due in October) and bond counsel.

Commissioner Bunn questioned Taylor on the projects that will go into the WIFIA letter. That is being determined now, responded Taylor, and is strategically connected to how WIFIA awards points for the program. There are a host of regulatory projects that relate well to those points, and others that fall into reliability and resiliency efforts, such as the headquarters building, reservoirs, and more.

- Upcoming Board Schedule – 9/16 Executive Session-Water Right Strategy, 10/7 Water Distribution Operations Update, 10/21 Bulk Water Sales Update-Jackson County

7. Propositions and Remarks from the Commissioners

Commissioner Bunn requested that Taylor to reach out to Commissioner Smith regarding setting up a tour of the Duff plant and providing any other helpful information; he encouraged Smith to reach out to any members of the Board if he has questions.

8. Adjourn

There being no further business, this Commission meeting adjourned at 1:16 p.m. The proceedings of the Medford Water Commission meeting were recorded and are filed at Medford Water Commission's office, along with the complete agenda of this meeting.