



## BOARD OF WATER COMMISSIONERS MINUTES

**Wednesday, April 18, 2018**

**Lausmann Annex Room 151/157**

**200 S. Ivy Street., Medford, Oregon 97501**

The regular meeting of the Medford Water Commission was called to order at 12:27 p.m. on the above date at the Medford City Hall Lausmann Annex, Room 151/157 with the following commissioners and staff present:

Chair Jason Anderson; Commissioners John Dailey, Daniel Bunn, Rick Whitlock

General Manager Brad Taylor; City Recorder Karen Spoons; Administrative Coordinator Yvette Finstad; Principal Engineer Eric Johnson; Finance Director Tessa DeLine; Operations Superintendent Ken Johnson; Duff Water Quality Superintendent Jim Stockton; TS Administrator Kris Stitt; TS Tech II Carl Jamin

Guests: Medford City Councilmember Michael Zarosinski; Central Point Mayor Hank Williams; Central Point City Manager Chris Clayton; Jim Herndon

Commissioner Leigh Johnson was absent.

3. Approval or Correction of the Minutes of the Last Regular Meeting of April 4, 2018  
The minutes were approved as presented.

4. Comments from the Audience

5. Resolutions

- 5.1 No. 1664, A RESOLUTION Authorizing the General Manager to Execute a Cooperative Improvement Agreement (Agreement) Between the Medford Water Commission (Commission), the City of Medford (City), and State of Oregon, by and Through its Department of Transportation (ODOT), for Improvements to Lozier Lane

At the April 4 meeting, staff and Board discussed the cooperative agreements for the Lozier Lane and Table Rock Road improvement projects. It was determined that resolutions authorizing the General Manager to sign these agreements should be approved by the Board due to the financial obligation presented and in accordance with the Commission's Contracting & Purchasing Regulations. Authorization for both projects was originally granted by motion. Staff recommended approval.

Motion: Approve Resolution No. 1664

Moved by: Mr. Dailey

Seconded by: Mr. Whitlock

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

Motion carried and so ordered. Resolution No. 1664 was approved.

- 5.2 No. 1665, A RESOLUTION Authorizing the General Manager to Execute a Cooperative Improvement Agreement (Agreement) Between the Medford Water Commission (Commission), the County of Jackson, Board of Commissioners (County), and State of Oregon, by and Through its Department of Transportation (ODOT), for Improvements to Table Rock Road

As mentioned above, the agreement needs to be approved by Board by resolution. Staff recommended approval.

Motion: Approve Resolution No. 1665

Moved by: Mr. Dailey

Seconded by: Mr. Whitlock

Roll Call: Commissioners Anderson, Bunn, Dailey, and Whitlock voting yes.  
Motion carried and so ordered. Resolution No. 1665 was approved.

- 5.3 No. 1666, A RESOLUTION Awarding and Authorizing the General Manager to Execute on Behalf of the Board of Water Commissions a Contract with Isler CPA, LLC to Perform the Fiscal Year 2017-1018 Audit for the Commission

In collaboration with the City of Medford, the Commission requested proposals from qualified firms for audit services for FY 2017-2018. A committee consisting of staff and one member of the Board selected Isler CPA from three responding firms; Isler's scope and qualifications are consistent with the Commission's needs, they understand the level of effort required, and proposed the lowest cost (\$22,550). Staff recommended approval.

Motion: Approve Resolution No. 1666

Moved by: Mr. Dailey

Seconded by: Mr. Whitlock

Commissioner Bunn explained the benefits of having a separate audit firm from the City of Medford.

Roll Call: Commissioners Anderson, Bunn, Dailey, and Whitlock voting yes.  
Motion carried and so ordered. Resolution No. 1666 was approved.

6. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$463,859.06

Moved by: Mr. Dailey

Seconded by: Mr. Bunn

Roll call was taken later to allow the Commissioners time to review the voucher list.

7. Staff Reports

7.1 Engineer's Report (Principal Engineer Eric Johnson)

- a. Duff Water Treatment Plant Floc/Sed Basins – Concrete and rebar work is nearing completion for basin #1 and #2. Electrical work continues on various items. SCADA integration continues. All systems necessary to operate the plant are being commissioned. This project should be 95% complete by late July/early August. Commissioner Anderson would like the Board meeting held at Duff when this is completed with a possible study session on the new system.
- b. City of Medford Lozier Lane Project – Staff is waiting on final paving to adjust valve can lids. The contractor has until the end of the year to get this done.
- c. Jackson County Table Rock Road Project – All testing has been completed and passed. Water meter tie-overs and main line tie-ins are underway. This project will take to the end of the year.
- d. City of Medford Foothill Road Project – The City of Medford continues to work on the right-of-way acquisition and land appraisals. This phase of the project is scheduled to last to the end of 2018.
- e. Corrosion Study – The pipe loop conditioning and distribution sampling continues.
- f. Duff II Wetland Fill – Grading and rocking of the wetland fill is done. The upland area will be completed in June and July.
- g. Spring Garden Fair – Dates for the Spring Garden Fair are Saturday, May 5 from 9 a.m. to 5 p.m. and Sunday, May 6 from 10 a.m. to 4 p.m. The Fair will be held at the Jackson County Expo.

Out of sequence in order to take roll call

6. Authorization of Vouchers (continued)

Commissioner Dailey reviewed the vouchers and the Board was now able to vote.

Authorization of Vouchers Roll Call: Commissioners Anderson, Bunn, Dailey, and Whitlock voting yes; Anderson and Bunn recused themselves from the Asante Physician Partners voucher.

Motion carried and so ordered.

Back in sequence

7.2 Operations Report (Operations Superintendent Ken Johnson)

a. Big Butte Springs is now on full pipe as of Tuesday, April 17.

b. Cleaning and inspection was held on April 10 for Lone Pine #2 and Cherry Lane Reservoirs. According to the diver, both reservoirs are in “really good shape”. Cleaning/inspecting of the current reservoirs will be revised out for the next ten years for our 15 reservoirs.

Staff was questioned where full pipe spare water goes; staff noted all excess water is dechlorinated and goes into Lone Pine Creek, then travels 4.8 miles to Bear Creek.

7.3 Water Quality/Treatment Report (Water Quality Superintendent Jim Stockton)

a. Harris Group engineers continue to be on hand with the commissioning activities. The new PLCs are in place and tested, along with several new equipment items, which have been integrated into the plant SCADA system.

b. Plant staff has been in the process of commissioning. Systems include the ozone system, raw water pumping systems, chemical feed systems, basins and filters. Not all has been completed but is well under way.

c. Training is being conducted this week on many of the new plant equipment items.

d. The new uninterruptable power supply is in service after being commissioned this week.

e. A liquid oxygen leak took place and staff is working on this. Liquid oxygen is currently out for bid. Bids are due back on April 16.

f. Dr. Ben Klayman will start soon.

7.4 Finance Report (Finance Director Tessa DeLine)

a. The Investment Advisory Services RFP is currently open and investment firms have until May 3 to respond.

b. The preparation of the annual budget is still on track. Staff is working to stay within the revenue and expense parameters that were shared earlier this year during the Cost of Service Study. So far, we appear to be on a positive trajectory.

c. March financial statements will soon be available. Staff is currently changing the process by engaging manager level staff for input and to comment on the financial statements prior to publishing. The goal is to increase staff's ownership, knowledge and understanding of the financial process.

8. Manager's Report

8.1 Mr. Taylor suggested minor changes to the Commission goals and adding a new goal to “Foster a cohesive culture of employee engagement, employee learning, teamwork, and workplace safety”.

Commissioner Bunn questioned the wording in Goal #4 and suggested some statement around minimizing the life cycle costs; Mr. Taylor elaborated that you are always looking for ways to save. The challenges are we may not be sophisticated to decipher the best case scenario in regards to minimized life cycle cost, because data is not always available to perform this analysis. Mr. Taylor also suggested verbiage under Goal #4 to suggest all capital, vs. just the Robert A. Duff Water Treatment Plant. The revised goals will be brought back as part of the Budget adoption process in May.

Commissioner Whitlock stated he would like a formal approval by resolution of goals. Mr. Taylor noted that approval of goals would be part of Budget Approval. Discussed was the process during the budget cycle, including strategic planning before the budget season. The Board suggested a consultant to assist in future processes; they also requested transparency be considered when changing or revising the Mission Statement in the future.

- 8.2 Section 17: Damage to Commission's Property, in particular the meter tampering fee of \$100, was discussed. Mr. Taylor questioned if the Board was willing to consider a payment plan or should the full payment be made at one time. Staff noted we have over a dozen meter tampering's a year, but lately it has happened more frequently. The Board agreed to provide a payment plan the first time in order to restore the water service. If there is a second meter tampering offense, the water would be off until paid, including the normal fees. Discussed was strengthening regulations regarding tenant usage and additional offenses may be needed.
- 8.3 Mr. Taylor stated he is on a statewide workgroup with the Oregon Health Authority, Drinking Water Services, to restructure their fees. The challenge in Oregon is there are a lot of rural water systems. This creates difficulties with funding, causing the larger water systems, such as Medford, to subsidize fees. This group meets May through July.
- 8.4 A thank you note from St. Vincent de Paul was presented pertaining to the additional scholarship money received from the MWC.
9. Propositions and Remarks from the Commissioners
  - 9.1 Commissioner Whitlock stated staff is doing a good job and he appreciates everything staff is doing. He wanted to be sure that staff should not interpret his questions as being critical of their efforts.
  - 9.2 Commissioner Dailey remarked he will miss both meetings in May and Commissioner Johnson will not be attending the May 2 meeting. Commissioner Whitlock questioned if we have the ability to listen by phone, if needed, for quorum purposes. Staff noted that is available.
10. Adjourn

There being no further business, this Commission meeting adjourned at 1:13 p.m. The proceedings of the Medford Water Commission meeting were recorded on tape and are filed in the Water Commission's Office. The complete agenda of this meeting is filed in the Water Commission's Office.

Karen M. Spoons, MMC  
City Recorder  
Clerk of the Commission